

MIGRATION ACTIVITIES IN ASIAN REGION AND THEIR IMPLICATIONS ON REGIONAL ECONOMY AND BUSINESS OPERATION: A CASE STUDY ANALYSIS FOR THE CHOSEN ASIAN COUNTRIES.

Manqiu Sai

International Business

Bachelor's Thesis

Supervisor: Dr. Marta Zieba

Date of approval: 8 April 2019

Aalto University

School of Business

Bachelor's Program in International Business

Mikkeli Campus

MIGRATION ACTIVITIES IN ASIAN REGION AND THEIR IMPLICATIONS ON REGIONAL
ECONOMY AND BUSINESS OPERATION: A CASE STUDY ANALYSIS FOR THE CHOSEN ASIAN
COUNTRIES.

Manqiu Sai

International Business

Bachelor's Thesis

Supervisor: Dr. Marta Zieba

Date of approval: 8 April 2019

Aalto University

School of Business

Bachelor's Program in International Business

Mikkeli Campus

AALTO UNIVERSITY
SCHOOL OF BUSINESS
Mikkeli Campus

Author: Manqiu Sai

Title of thesis: Migration activities in Asian region and their implications on regional economy and business operation: a case study analysis for the chosen Asian countries.

Date: 8 April 2019

Degree: Bachelor of Science in Economics and Business Administration

Supervisor: Dr. Marta Zieba

Objectives

This paper aims to find the relationship between Asian migration and its impacts on economic development, from the perspective of both sending and receiving regions and countries. In order to achieve that, migration features and economic motivation are to be found to establish the context.

Summary

In order to examine the topic in more details and scrutiny, country-level case studies of several selected Asian countries are used as representatives of the migration activities in the region.

Conclusions

The outcomes that migration is closely related with economic development has been observed, while the presence and degree of benefits are varied. The labor market, in particular, has mixed results for Asian immigration. There is also a distinction between short-term and long-term impacts. Many variables, such as the skill set of migrants, the economic capabilities of the destination, the characteristic of the local workers all play a role in the economic impacts of migration.

Key words: *INTERNATIONAL MIGRATION, INTERNAL MIGRATION, IMMIGRATION, EMMIGRATION, ASIA, LABOR MIGRATION.*

Language: English

Grade:

COVER PAGE

TITLE PAGE

ABSTRACT

TABLE OF CONTENTS

1. INTRODUCTION	1
2. LITERATURE REVIEW	2
2.1. Introduction	2
2.2. Definition and types of migration in Asia region	3
2.2.1. Economic Migration	3
2.2.2. Non-Economic Migration	4
2.3. Comparing migration trends and features across Asian countries and over time	5
2.3.1. Migration stock	5
2.3.2. Migration flow	7
2.3.3. Characteristics of migrants	8
2.4. Incentives of migration in Asia region	9
2.4.1. Push factors	9
2.4.2. Pull factors	11
2.5. The effects of emigration for the labor-sending Asian countries	13
2.5.1. Economic cost and benefits	13
2.5.2. Non-economic costs and benefits	15

2.6. The effects of immigration for the labor-receiving Asian countries	17
2.6.1. Economic cost and benefits	17
2.6.2. Non-economic costs and benefits	18
2.7. What are migration policies in Asian region?	19
2.7.1. Migration policies for labor-sending Asian countries	19
2.7.2. Migration policies for labor-receiving Asian countries	20
2.8. Conceptual framework	22
3. METHODOLOGY	23
4. DATA ANALYSIS AND DISCUSSION OF MIGRATION TRENDS FOR ASIAN COUNTRIES	24
4.1. Overview	25
4.2 The case of China	30
4.3 Immigration in Japan, South Korea and Singapore	34
4.3.1 Japan	34
4.3.2 Korea	36
4.3.3 Singapore	39
4.4 The case of the Philippines	41
4.5 Migration policies in Asian regions	44
4.5.1. overview	44
4.5.2. The case of China	46
4.5.3. The case of Japan, Korea and Singapore	46
4.5.4. The case of Philippines	48
5. FINDINGS AND CONCLUSIONS	49
5.1. Summary of main findings	49
5.2. Implications for international business	52
5.3. Limitations and suggestions for further research	53

REFERENCES

List of tables

Table 1: Data and information sources used for further analysis and discussion

Table 2: Country and migration profiles for the chosen countries.

Table 3: registered foreigners in Japan.

Table 4: Foreign workers in Singapore, 1970-2010

List of figures

Figure 1: International Migration stocks in ASEAN countries.

Figure 2: Asian Migrant Flows to Gulf Countries.

Figure 3: Asian Migrant Flows to ASEAN Countries.

Figure 4: Top 20 Asian Migrant Countries.

Figure 5: Growth incidence curve: effect of migration on income change.

Figure 6: Deployment of Land-Based Overseas Filipino Workers by Region in 2015.

1. INTRODUCTION

In an increasingly connected and globalized world where countless trading and capital flows are being exchanged on a daily basis, numerous migration flows also take place continuously in seeking of a better economic prospect or out of involuntary motives. Under the global context, as the largest continent and accommodates the majority of the world's population, Asia provides a sizeable example to examine the ongoing migrating activities. While some economies in the region have been experiencing rapid economic growth for the past few decades, Asia is also home to a large population with less economic well-being. As various stages of development and skills of labor force are presented in Asia, it has been witnessing large inflows and outflows of labors between countries within the region.

Some societies keep rapidly evolving but at the same time are facing the “diaspora” problem caused by emigration. Those changes would suggest profound implication on the receiving labor market as well as the global economy. The recent worries have occurred within those labor-sending countries as they are bearing the cost of losing quality labor known as the “brain drain”. Countries like the Philippines has implemented a series of immigration policies aimed at attracting returnees and high-skilled overseas workforce which would contribute directly to the knowledge base of the country and its economic development.

Asian countries are at the age of transformation and the effects of the ongoing migration activities imply to the region and world's economy would be meaningful as policy makers weigh between options and adapt to new changes, and organizations search for contributing high-skilled talents with affordable cost.

By trying to find the economic association with migration, this paper will firstly look at existing literature on the topic of internal and international migration from a global context, and then in Chapter 3 methodology will be explicitly discussed. Following that, Chapter 4 examine some country case studies by comparing between the developed

nations in Asia including Japan, Korea and Singapore, and developing ones such as China and the Philippines. Lastly results and observation will be presented to conclude the thesis with discussion for future studies.

Specifically, this paper will investigate the subject by looking into these questions:

- 1.What are the migration trends and patterns currently among and within the Asia region (both internal and international)?
- 2.What are some of the noticeable features of migration flows in Asia and how does it differ from the rest of world?
- 3.What are the factors that affect migration activities in Asian countries?
- 4.What are the socio-economic effects of immigration on the receiving destination within the Asia region?
- 5.What are the socio-economic effects of emigration on the sending countries within the Asia region?

2. LITERATURE REVIEW

2.1. Introduction

Migration has historically been playing a crucial role in the regional economic climate but there is never an easy answer to determine whether it is beneficial or detrimental to the local economy. In the Asian region, the largest and most populous continent on earth, vast population potentially provides human capital which is the basis for “demographic dividend” -- the potential for economic development owing to changes in population structure under which working-age population dominate the whole population. (UNFPA, 2016) Bloom and Williamson (1997) attributed the remarkable

economic gains between 1965 to 1990 in East Asia largely to demographic dividend resulted from migration.

Nevertheless, some argued that with migration comes certain disadvantages, for example, wages can fall for unskilled local workers because of competition from unskilled migrant workers. (Ahsan et al, 2014) While benefits and drawbacks coexist, the holistic effects have never been straightforward due to the amount of stakeholders involved and the different level of economic advancement of Asian countries, thus it would require a country-to-country analysis and a rigorous examination into why various migration activities take place and how they are impacting the local economy in specific embodiment, this is, in the labor market, gross domestic product (GDP), firm profitability along with the technological development.

In this review, however, the emphasis is on the economic migration in Asia, and literature on political and environmental migration within the region will be only concisely covered as a result of that.

2.2. Definition and types of migration in Asian region

2.2.1. Economic Migration

As a globally growing phenomenon, migration can be found with various types, and same applies to the Asian region, though predominantly out of economic factors. (OECD, 2016) Economic migration is defined as “the movement of individuals from one country to another to benefit from greater economic opportunities. It is often presumed that such migration is primarily from less economically advanced countries to the more economically advanced ones.” (Anitha and Pearson, 2013) Economic migration consists of different motives, including migration for employment, for family reunion and for study.

Among all, migration for employment are the most common form. International Labour Organization (ILO) defined migrant workers as “all international migrants who are currently employed or unemployed and seeking employment in their current country of residence.” It was estimated that there are 150 million labor migrants worldwide in 2013, constituting roughly 64% of the global international migrant population. (ILO, 2015) Job-wise, domestic jobs are widely taken among migrant workers, with 11.5 million of all labor migrants are employed in the domestic sector.

In reality, Asia has been a major economic migration hub serving as both destination and origin as large inflows and outflows are exchanged between countries. Within the Asia-Pacific region, 25 million migrants – 17% of the global number – are presented. For instance, 10 million of Filipinos were working and living abroad in 2011 and approximately 6 million Indonesian nationals currently working overseas as labor migrants. (Leclerc. 2015) On the receiving countries' side, the Gulf countries have the highest percentage of labor migrants out of all labor forces (36%), hosting 11% of the world's labor migrants with most of them from Asia. (ILO, 2015) In countries like Singapore, the migrant labor force can account for as much as one-third of the total labor force. Moreover, Japan, an advanced economy in the region, is host to an estimated 2 million migrant workers. Thus, it can be concluded that migration in Asia is important from the perspective of both sending and receiving countries. (Ahsan et al, 2014)

2.2.2. Non-Economic Migration

Non-economic migration includes political migrants and environmental migrants, who are forced to migrate because of a war, state policies which discriminate against particular groups of citizens, or due to degradation in their local environment that jeopardizes their livelihood. (Anitha and Pearson, 2013)

Migration in Asia is not significantly made up of forced migration, however, during the past few years, conflicts have continuously stimulated migration in Asia, mostly from Syria and Afghanistan, and more recently, from Myanmar. (ADBI, 2018) In 2016, the Asia-Pacific region is home to more than 6.5 million refugees and people in refugee-like circumstances, representing almost 40 per cent of the all refugees worldwide. Top three countries accommodate 75 percent of all refugees in Asia, which are Turkey (around 3 million), Pakistan (around 1.4 million) and the Islamic Republic of Iran (nearly 1 million). Afghanistan (around 2.3 million) and the Syrian Arab Republic (around 2.8 million) are the major sources of refugees. (UN, 2017)

2.3. Comparing migration trends and features across Asian countries and over time

2.3.1. Migration stock

International Migration in ASEAN at a Glance, 2013

Country	Population ¹	International migrant stock	Stock of nationals abroad	Where do migrants come from (stock)?	Where do nationals go to (stock)?
ASEAN	617 594 000	9 498 000	18 836 000	Myanmar (2 151 000) Indonesia (1 216 000) Malaysia (1 050 000)	United States (4 328 000) Thailand (3 579 000) Malaysia (1 512 000)
Brunei Darussalam	411 000	206 000	51 000	Japan (102 000) Thailand (25 000) New Zealand (25 000)	India (26 000) Malaysia (6 000) United Kingdom (5 000)
Cambodia	15 079 000	76 000	1 116 000	Viet Nam (37 000) Thailand (31 000) China (2 000)	Thailand (750 000) United States (173 000) France (64 000)
Indonesia	251 268 000	295 000	2 993 000	China (63 000) Republic of Korea (28 000) United Kingdom (27 000)	Malaysia (1 051 000) Saudi Arabia (380 000) United Arab Emirates (321 000)
Lao PDR	6 580 000	22 000	1 293 000	Viet Nam (11 000) China (3 000) Thailand (2 000)	Thailand (926 000) United States (197 000)
Malaysia	29 465 000	2 469 000	1 446 000	Indonesia (1 051 000) Bangladesh (352 000) Myanmar (248 000)	Singapore (1 045 000) Australia (145 000) United States (65 000)
Myanmar	52 984 000	103 000	2 648 000	China (48 000) India (37 000) Pakistan (4 000)	Thailand (1 892 000) Malaysia (248 000) Bangladesh (198 000)
Philippines	97 572 000	213 000	5 487 000	China (36 000) United States (36 000) Japan (14 000)	United States (1 999 000) Saudi Arabia (1 029 000) United Arab Emirates (477 000)
Singapore	5 405 000	2 323 000	304 000	Malaysia (1 045 000) China (381 000) Indonesia (153 000)	Malaysia (78 000) Australia (63 000) United Kingdom (41 000)
Thailand	67 451 000	3 722 000	894 000	Myanmar (1 892 000) Lao PDR (926 000) Cambodia (750 000)	United States (268 000) Germany (71 000) Australia (57 000)
Viet Nam	91 379 000	68 000	2 605 000	Libya (11 000) Myanmar (10 000) China (9 000)	United States (1 381 000) Australia (226 000) Canada (185 000)

Figure 1: International Migration stocks in ASEAN countries. (International Labour Organization 2015.)

As a migration center, Asia serves not only as an origin of migrants but also as a major destination. In the year of 2015, there is approximately 60 million of migrants in the Asia region. In addition, more than 98.4 million global migrants have Asian origins. (UN, 2017) Within the region, Russian Federation has witnessed almost 12 million migrant workers, being the largest labor importers in 2015. India is the second receiver with over 5 million immigrants. As revealed from the table above, in the Southeast Asian region, the top 3 countries with largest number of migrant stock are Thailand (3.7 million), Malaysia (2.4 million) and Singapore (2.3 million). In Hong Kong China, immigrants account for up to 38.8 percentage in the labor market in 2010. (Ahsan et al, 2014) Japan, also an advanced economy in the region, is host to an estimated 2 million migrant workers. (ADB, 2018) It could be concluded that Asia, due

to its large geographic size and population, is a sender as well as home to many ongoing migration activities.

2.3.2. Migration flow

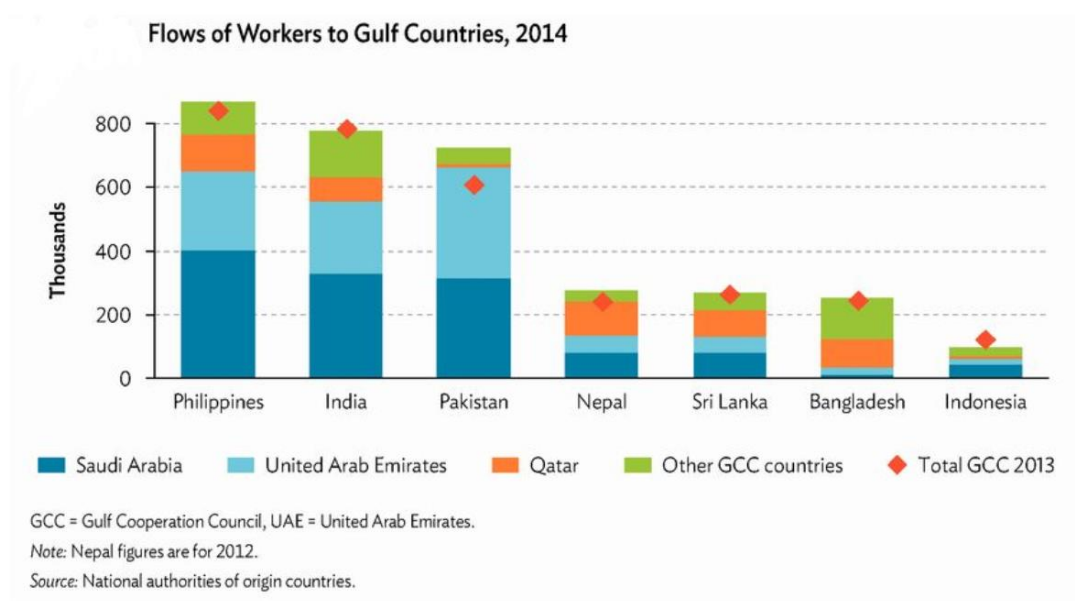


Figure 2: Asian Migrant Flows to Gulf Countries. (OECD 2017.)

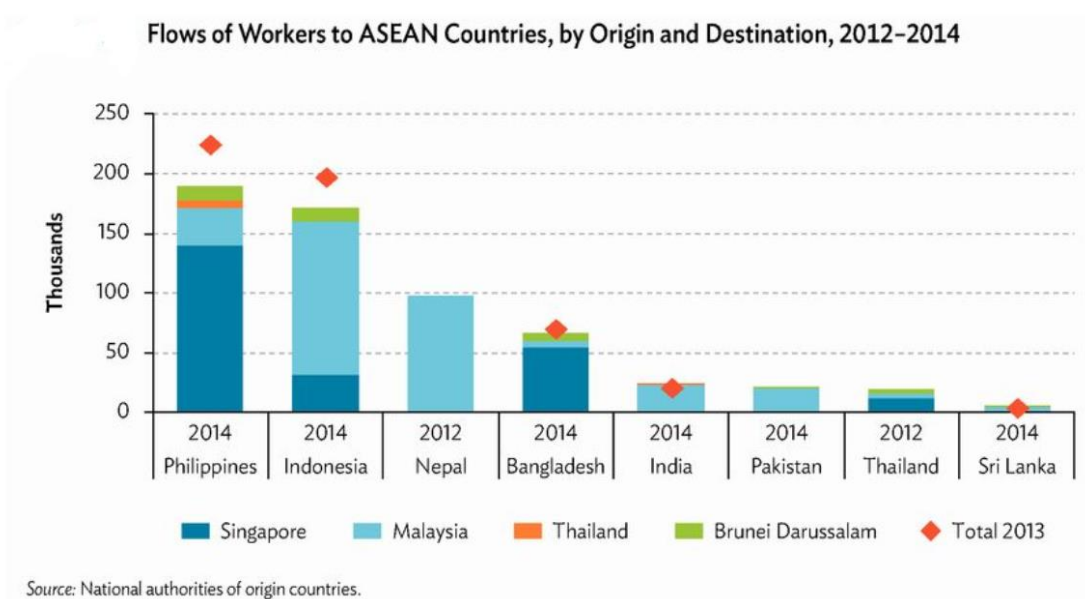


Figure 3: Asian Migrant Flows to ASEAN Countries. (OECD 2017.)

Despite a decline, the intra-Asia labor migration remain dynamic because of economic and demographic differences between the countries. Singapore, Hong Kong China, Malaysia are still attractive destination for international migrants. For example, in the year of 2014, a total of 400,000 Filipino workers migrated to other Asian countries. (OECD, 2017) Although the launch of recruitment bans in certain Asian countries in around 2014 have result in a decreased number of domestic workers migrating abroad, various cross-broader activities of movement still take place within the region.

One of the most obvious flows of migration within Asia is the outflows of migrants from South and South-East Asia to West Asia, the Gulf States in particular. Like the table suggested, the Philippines, India and Pakistan are the largest sender of labors to the Gulf States. More than 95 per cent of migrant workers from India, Pakistan and Sri Lanka are employed in West Asia, along with about two thirds of migrant workers from Bangladesh and the Philippines. (UN, 2017; OECD, 2016) From table above, the Philippines, Indonesia and Nepal have the most outflows of migrant workers to ASEAN countries. Therefore another main intra-regional route binds Indonesia with Malaysia, experiencing outflows of 130,000 Indonesian workers to Malaysia in 2014. In general, the migration pattern goes from less-developed countries to better-developed ones.

2.3.3. Characteristics of migrants

Temporary labor workers largely in low-skill or low-status jobs are the primary flows of international migration in Asia. Usually in a year, more than half a million people move from Bangladesh, India, Indonesia, Nepal and Pakistan to overseas, while Sri Lanka, Thailand and Vietnam deploy over 100,000 labor migrant every year. (UN, 2017)

Besides that, other forms of migration such as migration for permanent settlement, seasonal employment, marriage and study can also be found by smaller volumes. Nonetheless, international migration flows in Asia are mixed, including irregular migrants, smuggled migrants, trafficked persons, refugees and asylum seekers. It should be noted that some migrants may be a combination of more than one of those circumstances. (UN, 2017) Generally, temporary labor migrants dominate the major types of migration in Asia when other types also exist.

While labor migration involves both men and women, international migration in Asia has become increasingly female-involved. Excluding Western Asia, the other parts of the Asia region have witnessed a growing percentage of women workers, rising from 47% to 49% between 1990 and 2015, compared with a stable 50% of Asian immigrants to the rest of the world within the same period. (OECD, 2018) In terms of types of work taken by immigrants, there is also a strong work division differentiated by gender. Sectors that require masculinized work such as construction are carried out by men, in contrast, women constitute a remarkable fraction of migrant workers in Asia, mainly being employed in services, health care and domestic work industries. Among all the migrant workers from Sri Lanka, the percentage of male immigrants undertaking skilled works overwhelmingly outweigh female workers, with 42% for men and a mere 5% for women. (UN, 2017)

2.4. Incentives of migration in Asian region

2.4.1. Push factors

Push factors in the Asian region are mainly related with poor domestic economic activity and lack of job opportunities. By definition, push factors compel the individual to migrate voluntarily and often because that the individuals bear some risks if they remain at home. Push factors range from political conflict, environmental disasters, to religious freedom. (Worldatlas, 2017)

Poverty has historically been the root cause of migration. In a study dedicated to analyze South-South migration – the migration activities that take place between developing countries (The Migrationist, 2014) – has found out that, income differences have been playing important role for this kind of migration due to the extreme poverty in some of the South-South countries. On the other hand, the extent to which income differences between the host country and the labor sending country is not strikingly high. As estimated by Ratha and Shaw (2007), more than two out of three South-South migrants from low-income countries migrate to other low-income economies. The same principle could be applied to the Asia region as well because of the different economic stage Asian countries are situated for the time being. Kondoh (2017) mentioned that, for example, during the so-called bubble economy of the late 1980s in Japan, a large amount of illegal immigrants from neighboring developing Asian countries flock into Japan seeking for employment as a result of relatively low gross domestic product (GDP) of their home country as well as the decrease in relative value of domestic currency to Japanese yen which rise in value against the US dollar after the Plaza agreement. The local economic slump in developing Asian countries motivated people to seek livelihood internationally.

Furthermore, as the reality shows that in the Asia region where migrants often accept hazardous working condition in the destination country, it might suggest the motivation of migration comes from expectation of earning comparatively higher wages. (UN, 2017) Indeed, migration in Asia primarily consists of movement from economies with low income per capital to richer countries offering higher wages. It could be concluded then that within the region, poverty remains a crucial driving force for majority of international migration which would continuously take place as long as huge gap of income inequalities exist among the Asian economies.

Within the global context, besides the economic consideration, migration occurred out of conflict and natural disaster factors are also prevalent. Specifically, it was estimated

that 25 million people were being replaced by environmental disasters in the year of 1999. Environmental issues, increasingly prevalent challenge in especially developing countries, range from dam construction, pollution, desertification, soil erosion, drought to rising sea level. (Ratha and Shaw, 2007)

2.4.2. Pull factors

Pull factors are the factors in the destination country that attract the individuals to migrate. They are known as the “place utility” -- the desirability of a place that attracts people. On the destination’s side, the incentives mainly arise from economic, job opportunities and employment. (Worldatlas, 2017)

Economic well-being and development of the destination countries are always responsible for the continuous flows of labor. The rapid economic growth since 1980s in some Asian countries such as Singapore, Brunei, Malaysia and China have created a labor shortage domestically in small and medium-sized enterprises which encouraged foreigner workers to move in and fill the gap. The same incentive applies to internal migration in places where there is imbalance of economic development within the nations. In Malaysia after the 1960s, economic development in urban industrial areas took in rural workers. Similarly, in China, two million job vacancies were reported in the well-developed southeast coastal region in 2004. (Kondoh, 2017) Those labor shortages reflect the need for regional workers in the labor market within the country. During the 1970s, the rise in oil prices in the Gulf countries created a large demand for temporary labor, and the same could be applied to Kazakhstan at present, an increasingly significant labor destination, thanks to its economy fueled by petroleum and natural gas reserves. (UN, 2017) While the development of those countries in Asia might be a result of different factors, their rising economic superiority has made themselves attractive destinations for international migration.

Besides that, with declining fertility rate and an aging population in more developed regions, the need for immigrant workers has increased during the past few decades, creating an opportunity for immigrant workers. For instance, in 2003, the number of immigrants from Thailand working in Taiwan has reached 490,000, employed by the construction nursing care industries, while in 1991, the number is only 2,999, employed by the construction industry. (Kondoh, 2017)

The geographical and cultural proximity have also made regional migration more accessible across borders. As the largest recipient of international migration, Russian Federation witnessed an inflow of almost 12 million foreign workers in 2015. This is largely resulted from a visa-free travel policy for immigrants of the neighboring countries, including Armenia, Kazakhstan and Kyrgyzstan. Citizens from the subregion could directly ask for a “patent” from the Russian Federation to be employed in the state. Various transport links and language commonality within the region are also contributory factors for the ease of international migration.

Lastly, migrants are only able to immigrate when they have opportunities to do so. The emergence and popularity of third parties such as the private recruitment agencies have been playing important role in facilitating the migration process and cultivating a culture of migration. Recruitment has become a massive and lucrative industry in the region. Those agencies act as intermediaries, providing information for job seekers and profit from fees charged to employers and firms of the host countries. (UN, 2017) On top of that, governments are also actively engaging in regulating and improving the migration of workers. Bilateral memorandums of understanding and region and international agreements set up standards and requirements for migration and represent another favorable occasion for international migration in the region. With the assistance from brokers and governments, the actual occurrence of migration has become feasible.

2.5. The effects of emigration for the labor-sending Asian countries

2.5.1. Economic costs and benefits

For the low-skilled emigrants, they contribute greatly to poverty-reducing of the sending countries. This could be explained by that those workers generally come from low-income backgrounds and their departure directly released the burden from the state, benefited the home country and opened up job vacancies for other low-skilled substitute workers at home. As a result, the movement of those labor have result in rise in wages in the home labor market. For instance, in Pakistan, with massive emigration of labor into the Persian Gulf states, wages for both skilled and less skilled workers, particularly those low-skilled ones in construction industry, have seen an increase in response to emigration, although the exact number is yet available to be found. (OECD, 2007)

The emigration of high-skilled emigrants, however, tells quite a different story. The biggest economic drawback of these labor is found in “brain drain” -- the circumstance in which large numbers of highly educated and skilled people migrate to another country where they live and are paid better. (Cambridge Dictionary, 2019) As an example, African countries are experiencing significant amounts of outflows of engineers and scientists. It was estimated by International Organization for Migration (IOM) that the phenomenon has caused \$9 billion loss of human capital and growth potential since 1997 for the region. (globalization101, 2017)

Nonetheless, some studies have suggested the positive side effects that brain drain brought, which is that the income of the migrants increase while the ones of the low skilled natives is kept unchanged. (Drinkwater et al, 2002) Some other benefits also result from the brain drain. From a long-term perspective, the prospect of higher wages caused by emigration encourages the acquisition of human capital and improvement of skills, therefore enhances growth. (Mountford 1997; OECD, 2007).

Therefore, a higher level of educational attainment could counterbalance the negative loss of leaving high-skilled emigrants. Research found that high-skill migration activities internally within Mexico increase the likelihood of school-aged children continue their education after compulsory studies. Although being the largest risk associated with emigration, it seems that the brain drain effect may therefore actually stimulate improvement in the sending economy.

One of most significant benefits resulting from international migration comes down to remittances. More specifically, remittances are expected to influence poverty in several ways, by increasing income for the households. According to ADBI (2016), regardless of the skill level of workers, globally, Asian migrants send back remarkable amounts of remittances. In 2013, Pakistani remittances were twice of the international reserves, while in Bangladesh, Nepal and Sri Lanka the number were between 75% and 90% of international reserves. Generally, Asian remittances have increased from \$40 billion to \$264 billion since the beginning of 21st century. (World Bank, 2015) Adams and Cuecuecha (2011) find that international remittances reduce the consumption-based poverty rate by 27.8 percent. Cross-country international estimates have found that, on average, a 10 percent increase in remittances is associated with a 3.5 percent decline in the poverty headcount (Adams and Page, 2005). In the Philippines, 10 percentage increase of remittances results in 2.8 percentage decrease in the poverty headcount in migrant families. (Yang and Martinez, 2006) Various studies have backed up the fact that remittances play a crucial role in eliminating household poverty in developing Asian countries.

On top of reducing poverty, remittances could affect household spending and investment. While an increase in basic consumption such as food could be an indicator of subsistence support of poor household in the short run, spending at the margin on human capital and productive assets, such as education and housing, contributes to the economic development in the medium and long-term. In the case of Indonesia, remittances are estimated to increase the marginal food budget share by 5.9 percent (Adams and Cuecuecha, 2011). However, a correlation is found between remittances

and the marginal expenditure on education, housing and health in the studies on Indonesia and Philippines. (Adams and Cuecuecha, 2011; Cabegin and Alba, 2011.) Through international migration, developing sending countries have reaped the benefits of short-term economic growth as households are generating higher income, yet more effects on long run is yet to be observed.

Migration is expected to encourage knowledge transfer and innovation in developing countries. Gibson and McKenzie (2010) provided evidence about the impacts academic high achievers returning to the Pacific Island countries. Indeed, they are more likely to engage in trading activities, investment of start-up companies, and advise companies and government than they would be without migration. However, there is no strong evidence that the return migrants have become more productive as entrepreneurs or wage earners as the result of emigration. Another study looking into Pakistani returnees suggested that migration does not seem to enhance the skills of Pakistani migrants nor generate large accumulated savings to be brought home to rural Pakistan. (Mesnard, 2004; Ilahi, 1999; McCormick and Wahba, 2001; Dustmann and Kirchkamp, 2002). To date, limited evidence in the region suggests that labor export does not necessarily lead to strong productivity-enhancing knowledge and technology transfers.

2.5.2. Non-economic costs and benefits

While migration might bring significant potential economy-wise, it also has notable implication in other terms – socially and the well-being of migrants themselves. Although those impacts are difficult to be quantified, their presence are not to be neglected. From the perspective of household, children are often negatively affected by migration and suffers from the burden of separation. Ten percent of children in China left behind by migration live on their own, or without any family members. With the departure of parents, children left at home are vulnerable for various physical and

psychological trauma, and even for greater risks such as violence, trafficking and labor exploitation. (UNICEF, 2018) However, the opposite side suggests a different implication. Remittances coming from migration can provide children with resources to enter or continue their education and as a result prevent them from engaging in the labor market. (Gallego and Mendola 2010). Even though there are potential benefits for children's growth, they are certainly being placed at a risky and vulnerable position.

For the immigrants themselves, the net impact is not that straightforward. On the one hand, with financial capital and other resources, women who migrate have the opportunity to free themselves from bad or abusive marriages. One study suggests that returning female migrants from Vietnam, but not males, are more likely to divorce after migration. (ILSSA 2010) On the other hand, one issue occurred from international migration particularly in East Asia is marriage migration, or more severely, human trafficking, under which women and children are the biggest targets and victims. Women who migrate through marriage could be suffering from abuse and loneliness without means to liberate themselves from the situations. (Hvistendahl 2011).

As for human trafficking, which is conducted at a large scale in the regions of Asia, the International Labour Organization (ILO) conservatively estimates number of 2.45 million victims were being trafficked and exploited worldwide, with more than half of them are of Asian origin. (ILO 2008). The purposes of human trafficking mainly include forced marriage, child adoption, prostitution, forced labor and a mixture of some of those. It seems that at the individual level, women and children are the most vulnerable gender and age group for exploitation under international migration, in the Asian region in particular. (Ahsan et al, 2014)

2.6. The effects of immigration for the labor-receiving Asian countries

2.6.1. Economic costs and benefits

Being the most straightforward indicators of economy in the host country, unemployment and wages could fluctuate with the incoming of new immigrants. Namely, the less skilled labor force in the host countries could be worse off. In Europe, as an example of a comparatively inflexible labor market, immigration may increase the unemployment rate of unskilled native workers. Similarly, in a flexible labor market like the US, although unemployment rate might remain unaffected, the unskilled wage levels could be depressed. As the US took in largely low-skilled and poorly-educate immigrants during the 1980s, it was estimated that those immigration have cut the relative wages of less educated Americans by 21 percent. (McAleese, 2004)

Large number of studies on OECD countries have found similar results on both labor market wages and employment yet the actual effects are negligible and often insignificant. With respect to wages, the average estimated impact of a 1 percentage point increase in the share of immigrants in the labor force is to lower local wages by only 0.12 percent (Jean et al, 2007). And only low-income workers and prior immigrant cohorts might experience some income declines. And the impacts are larger on previous immigrants than on native workers. (Kerr and Kerr, 2011; Longhi, Nijkamp and Poot, 2005). In Kyrgyzstan, immigrants enjoy higher labor outcome than their local-born counterparts taking education, age and distribution across sectors into account. A high immigrant shares in a group is not associated with less positive labor outcome for the native-borns. However, it should be noted that the immigrants in Kyrgyzstan are long-term immigrants by majority and their long presence started prior to the independence, which could distort the data by a bit. It could be observed that immigrants indeed have an influence on the older immigrants and the native low-skilled workers.

Nevertheless, some contradictory outcomes have been observed with Austria being the exception. With a large intake of new migrants from Eastern Europe since the late 1980s, Austria experienced a change of migrant percentage in the labor market from 5% to 11%, from 1987 to 2000, while the unemployment rate of the local Austrians remained comparatively low (4%). The inconsistency could be explained by that new immigrants and locals were not in direct competition as immigrants tend to be present in different segment of the labor market from the native workforce. As a result, the effects on the local labor market may be determined by the skill level of immigrants, the length of their presence as well as the sectors they are situated within the labor market.

Immigrants are likely to contribute to the knowledge base of the host country, assumed that they come with education and skills. In Kyrgyzstan, foreign labor forces are largely filling the medium or high-skilled management position in enterprises and there is a potential for knowledge transfer from those skilled workers. (OECD, 2017) On top of that, in the case of Malaysia, the technological upgrade is achieved by moving local workers from low-skilled jobs to higher-skilled ones as the incoming migrants take up the low-skilled, labor-intensive positions in agriculture and services industries. (Ahsan et al, 2014) As the studies suggest, increasing the knowledge base of the host country does not necessarily require a high skill set, because low-skilled labor could also play a contributory role as a complementary effect.

2.6.2. Non-economic costs and benefits

Immigrants could be affecting the local society in both positive and negative ways. For the destination countries, incoming of working labor can trigger a series of social challenges such as housing, safety and social welfare. As an example, Indonesia requires migrants to demonstrate verification of employment and housing to enter the city as an attempt to address the social unrest. Despite that, immigrants are also

potential contributing sources as they bring in new cultures, perspectives and energy into the society. (Ahsan et al, 2014) Some of the biggest companies in the US are founded by immigrants. Depending on the types of migrants and the capacity and management of the destination country, the results of migration could vary greatly.

Another worry stems from the integration of immigrants from different backgrounds into the receiving society. Notably, the debate has been gaining more attention in Europe with the inflows of labor migrants and has affected policy making for better economic and social integration. (OECD 2009) Furthermore, the concern emerges especially during a time of economic recession or other social pressures in the destination country. As a country with long migration history, the US was challenged to reevaluate its ability to integrate immigrants during the global financial crisis. (Terrazas, 2011)

2.7. What are migration policies in Asian region?

2.7.1. Migration policies for labor-sending Asian countries

International migration in Asia does not only involve millions of migrant workers, but also thousands of migration institutions and agencies -- 3000 in Indonesia alone. (Ahsan et al, 2014) Governments of labor-sending countries have developed strategies to better facilitate international migration, including regional economic integration programs (e.g. ASEAN), regional and interregional forums (e.g. the Colombo Process and Abu Dhabi Dialogue) as well as bilateral memorandums of understanding (MOUs), although their impact on actual policies has been limited.

The main objective of migration policies is the protection of labor workers during their recruitment and employment abroad, and during the past 10 years, employment

promotion has been given more emphasis. Although in reality, due to the fact that the supply of foreign labor outweighs the demand, foreign workers are at a disadvantage of exploitation and are vulnerable to abuses and unfair treatment during recruitment and employment. To tackle those dilemmas, labor-sending countries have made efforts in their migration policies. Countries like the Philippines have for years been involved in better regulating recruitment process including regulation of recruitment industry, employment facilitation and worker protection.

Similarly, in July 2015, Nepal announced a new “free visa free ticket” policy for emigrants, meaning that foreign employer should bear the related costs. (OECD, 2016) Still, a large amount of labor migration activities in the region takes the form of undocumented and are made through informal channels, which needs to be taken into account when integrating policies and monitoring domestic recruitment agencies in order to better protect workers’ well-being and to maximize social and economic gains both to receiving and sending countries.

2.7.2. Migration policies for labor-receiving Asian countries

Policies in labor-receiving countries are built upon an understanding of the labor market requirement. For example, South and South-East Asian workers in Gulf States have increased dramatically since the gulf war at early 1990s, partially owing to reconstruction works but also a political consideration -- the gulf countries wanted to find substitutes the "politically unreliable" Palestinian and Yemeni workers in the region. At the same time, Israel began to recruit Thai and Filipino migrants for agriculture, construction, and domestic work, as a replacement of Palestinian workers the prohibited entry of Palestinians from the West Bank and Gaza. (Castles and Miller, 2009) Out of construction work and political needs, Gulf States introduced migration policies aimed at low-skilled migrant workers since end of last century. However, changes have taken place the past few years, and outflows to Gulf States have begun

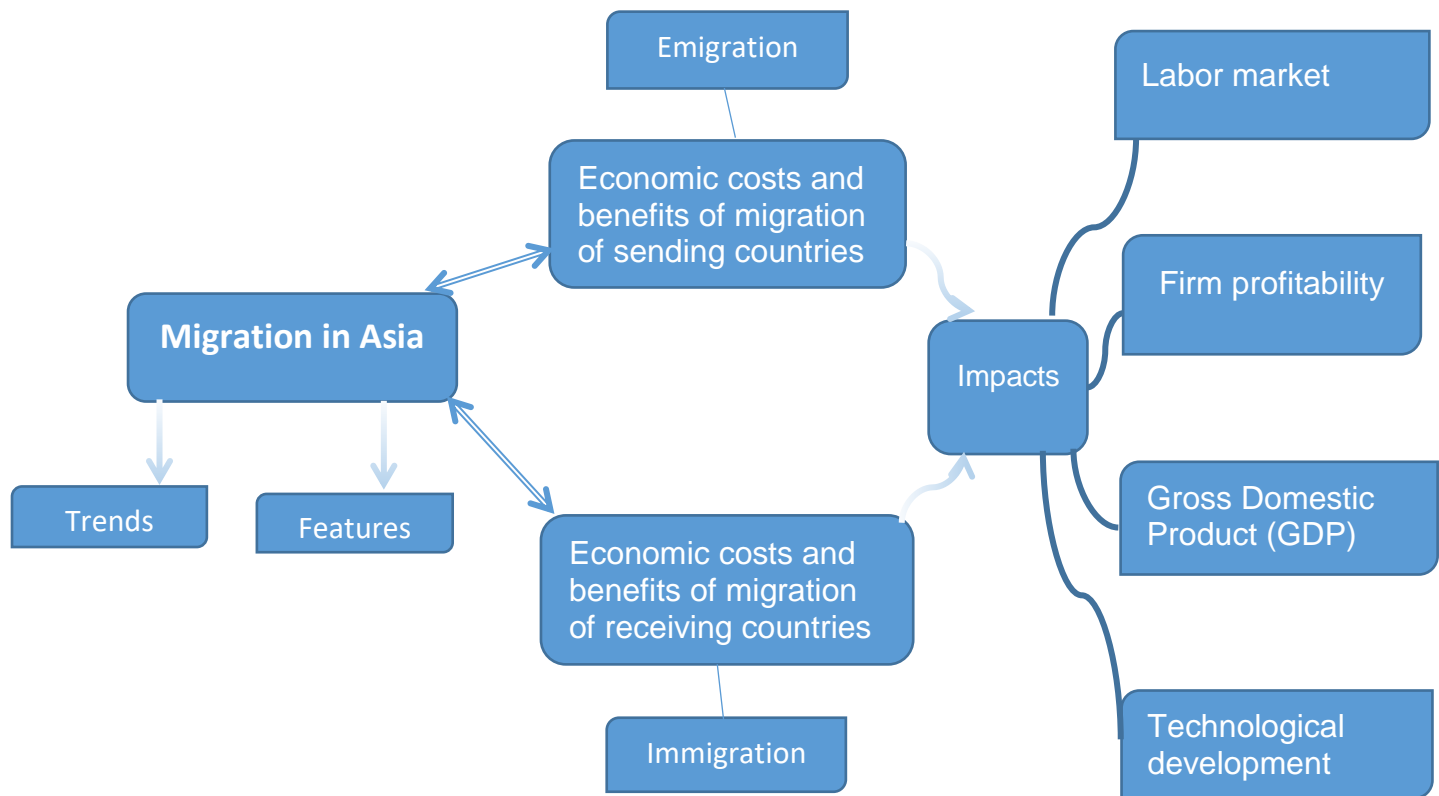
to drop as Saudi Arabia imposed a recruitment ban in 2008 and the United Arab Emirates imposed a ban in 2012 as a protection for their domestic workers.

Market failure can be easily resulted from those policies when there is an information asymmetry between enterprises in receiving countries and foreigner workers. It happens when migrant workers are ill-informed of recruitment information or labor rights. While all workers in the Middle East have limited rights, female domestic workers are highly vulnerable to labor exploitation and sexual abuse, and it is difficult for the authorities in their origin countries to provide protection. (Castles and Miller, 2009) It seems that majority of the migration policies, while may be benefiting the local firms who make use of the foreign labor, are not providing enough information and security to the millions of migrants themselves.

While Gulf States accommodate mostly low-skilled labor workers from South and South-East Asia, some better developed Asian countries aim at attracting high-skilled foreign talents. In Japan and Singapore, the admission system utilized by agencies to recruit foreign workers try to exclude and limit the inflow of low-skilled workers. The republic of Korea followed similar migration structure initially but introduced a major transformation in 2004 when it adopted a guest-worker program for low-skill occupations and agreements with source countries for a state-regulated recruitment system. (OECD, 2016)

On top of that, as the migration policies should always reflect the needs of the labor market of the country, demographic changes in societies would result in more adaptation and variations in migration policies. With the aging pace of Japanese society, it is in the face of a labor shortage and would require more foreign workers in its domestic labor market in health care and service sectors. In response to that, the country has decided to liberate its migration policy in 2019 in hope of introducing more labor force. (The Diplomat, 2018)

2.8. Conceptual framework



The diagram above illustrates the conceptual framework that will be used in the literature review by connecting factors together visually.

First of all, major migration trends and features would be introduced to provide an overview of the situation as they suggest the uniqueness of the activities in the region. As the purpose of the thesis is to analyze the impacts migration have on the economy, an interdependent relationship exists and therefore the arrows go both way indicating that those impacts could also be the driving force (push, pull factors) for migration in Asia. More specifically, the economic impacts would be analyzed in specific aspects, namely the labor market, GDP and technological development.

3. METHODOLOGY

This research will mainly be based on secondary information, considering the availability of existing relevant research conducted and the irrelevance of doing a first-hand survey for the migration-economics topic. Analytical and empirical study sources from the World Bank, OECD, Migration Policy Institute are substantially utilized with a selective emphasis on the Asian region to identify the current and recent migration activities and trends. Countries specific information from national statistics organization are obtained to collect various demographic data on different aspects regarding migration. In terms of main engine literature search, most are accessed from Google Scholar and Aalto library site.

For this purpose, an amount of research and literature reviewing would be conducted. Articles, books, publications, reports are all fall in the realm of potential sources for gathering findings supported by statistics and graphs.

Table 1: Data and information sources used for further analysis and discussion

Country	Type of Source	Information Source
China	<i>Data on migration flows and information on migration policy</i>	<i>National Bureau of Statistics of China</i> http://www.stats.gov.cn/english/
Japan, Korea and Singapore	<i>Secondary data obtained from previous literature</i>	OECD (2019) Statistics Japan https://www.stat.go.jp/english/ Statistics Korea http://kostat.go.kr/portal/eng/index.action Statistics Singapore https://www.singstat.gov.sg/
Philippines	<i>Secondary data obtained from previous literature</i>	Philippine Statistics Authority. https://psa.gov.ph/statistics/survey/labor-force/sof-index

4. DATA ANALYSIS AND DISCUSSION OF MIGRATION TRENDS FOR ASIAN COUNTRIES

4.1. Overview

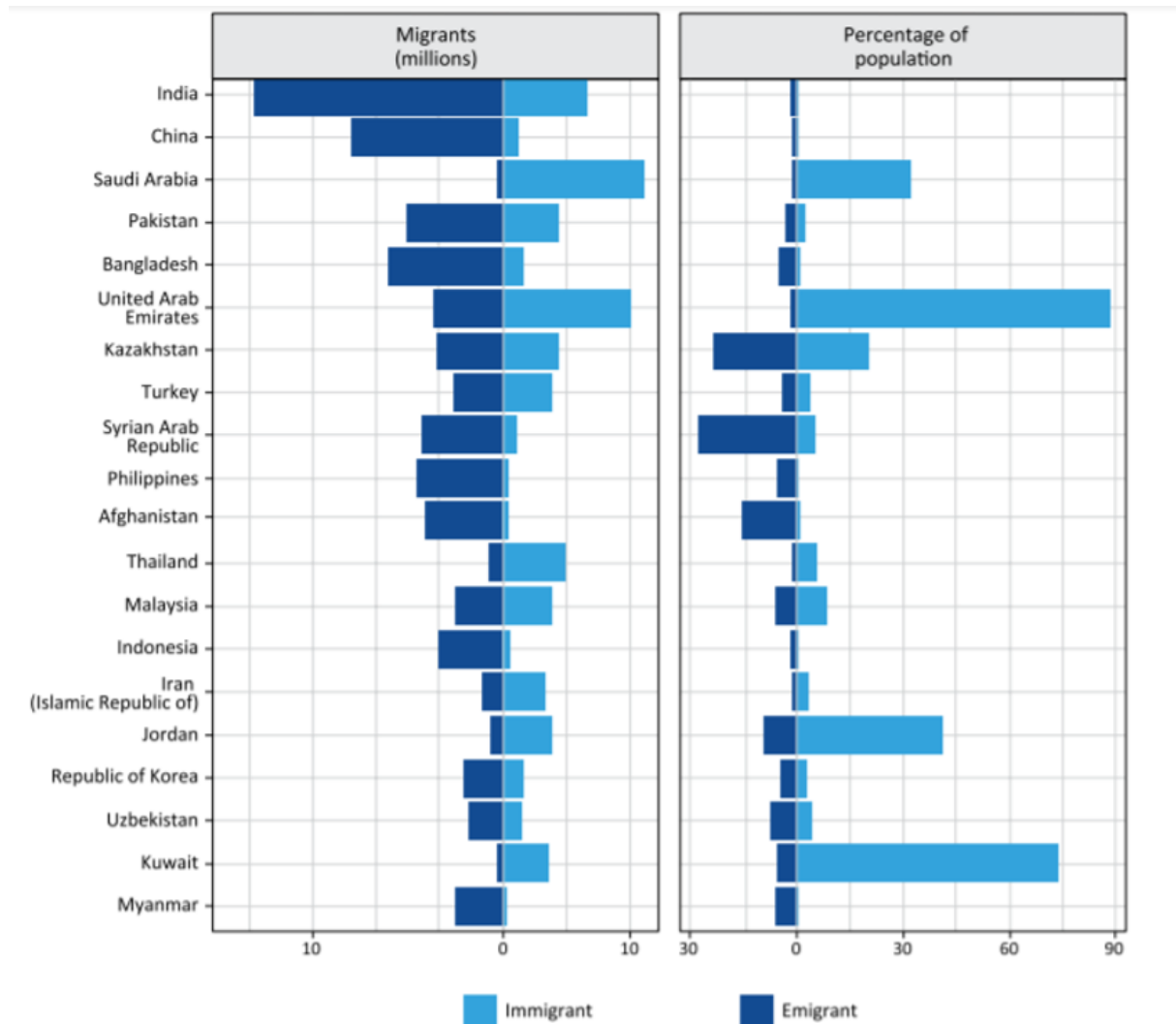


Figure 4: Top 20 Asian Migrant Countries. (UN, 2015)

Home to 4.4 billion people, the Asia region has been witnessing large flows of migrants during the past few decades within itself. It is the origin of more than 40 percent of global international migrants, with 59 million of the immigrants travel among countries in the region in 2015, in contrast, the number is only 35 million in 1990. (IOM, 2018) As the chart above suggests, India, China and Bangladesh have the largest numbers of migrants residing abroad, while countries in the Middle East such as Saudi Arabia, United Arab Emirates and Kuwait are some major receivers of migrants, accommodating a significant share of immigrant of the whole population. In United

Arab Emirates, 90 percent of the country's population is represented by foreign immigrants.

Among different types of migration, economic migration in search of employment is the most significant one and has grown at 6% every year for the last two decades. Fast economic growth in certain Asian economies has been the main driver for labor migration. As an instance, the route that connects South East and South Asian countries and the Middle East has become one of the most noteworthy journey in Asian migration. The rapid increase of temporary contract workers to the gulf oil countries since the oil price rises in 1970s resulted from enormous construction needs. Countries like Saudi Arabia and the United Arab Emirates imported labor largely from South East Asia and South Asia. By the time of 1985, the gulf states have accommodated 3.2 million Asian workers. (Castles and Miller, 2009)

Low-skilled labor forces mainly constitute the early flows of migrants. However, Asian migration has become more differentiated over time. The temporary decreased construction needs after 1985 in those oil-rich countries stimulated a more diverse foreign workforce. Demand on other sectors rises, including for domestic work, social welfare and services led to the opportunities of semiskilled or skilled jobs for migrant workers even though the low-skilled laborers remain. The shift in labor demand with a service orientation has also encouraged the feminization of migrants. Excluding Western Asia, the other parts of the Asia region have witnessed a growing percentage of women workers, rising from 47% to 49% between 1990 and 2015, compared with a stable 50% of Asian immigrants to the rest of the world within the same period. (OECD, 2018)

Another major incentive for migration comes from the declining fertility and labor shortage since 1980s in the new industrial East and Southeast Asian economies, creating a need for a higher skilled labor force. The phenomenon of an aging

population is exacerbated over time, countries like Japan are already going through negative population growth, when the Republic of Korea witness the lowest birth rate and fastest-ageing population among OECD members. In response to the demographic changes, those countries are under the pressure of making efforts to refine their historically conservative immigration policies. By the end of 2015, the Republic of Korea has employed more than 500,000 foreign temporary workers. (IOM, 2018) All in all, as all the economic and social conditions in the Asian region evolve, migration has become an increasingly growing occurrence while often characterized by short-term labor migrants that is gradually more female.

While Asian region represent different stages of economic evolution, distinctive types of migration are spotted – internal migration, international immigration and international emigration. In this chapter, case studies of several Asian countries will be analyzed to detect the relationship between migration and economic development. Specifically, the internal migration in China, immigration in advanced Asian economies of Japan, Korea and Singapore, as well as the emigration from the Philippines will be separately examined as examples to illustrate the similarity and variety of migration found in Asia, as those countries are becoming increasingly powerful economically during globalization and the number of migrants found are large enough to represent the region. China has been and is still experiencing the largest flows of internal labor mobility. Japan, Korea along with Singapore are the most open economies in Asia undergoing vast amount of trading, capital flows and foreign labor inflows. And the Philippines is one of the biggest labor importers in the world. These countries all started to witness large systemic labor flows in around 1970s and 1980s due to economic transition and development. Here by looking into these representatives of migration participants, this chapter aims to study Asian labor migration in more scrutiny and details.

Data for 2018	China	Japan	Korea	Singapore	Philippines
General statistics					
The overall population (total numbers) in millions (2018)	1,396.982	125.619	51.249	5.673	108.405
% of working population	55.85%	60.0%	52.62%	63.02%	38.12%
% of working population in urban areas	31.08%	N/A	N/A	N/A	N/A
% of working-age population	64.3%	59.90%	71.78%	72.47%	63.35%
GDP per capita \$ (2018)	9,559.924	36,317.737	27,999.243	55,253.362	3,542.389
GDP growth rate in % (2018)	6.000	0.364	3.075	2.465	6.301
The unemployment rate in % (2018)	4.050	3.307	3.300	2.000	5.800
The inflation rate in % (2018)	2.2	0.976	2.100	1.900	3.472
minimum wage rate	Ranges from RMB1,120 (\$161.07) per month, or RMB10.60 (\$1.52) per hour in Liaoning; to	874 yen (\$7.88) / hour	10,020 won (\$9) / hour	No overall minimum wage. However, 1,000 Singapore dollars (\$729) minimum	Ranges from PhP243 (\$4.60) daily non-agricultural wage in Ilocos to PhP537 (\$10.16) daily non-agricultural

	RMB2,420 (\$348.02) per month, or RMB21.00 (\$3.02) per hour in Shanghai.			monthly wage for cleaner jobs and 1,100 (\$802) for security guards.	wage in Metro Manila.
Migration statistics					
The number of migrant workers (as for 2017)	286,520,000 internal rural migrant workers	2,437,169	1,409,000	1,368,000	2,339,000 overseas Filipino workers
The percentage of migrant workers among the national population	20.51%	1.94%	2.74%	24.11%	2.16%
Type of migration analysed for each country (i.e. rural/urban, or outward/inward migration)	rural/urban	Outward/inward	Outward/inward	Outward/inward	Outward/inward
Personal remittances, paid (\$) in thousand (2017)	16,177,706.32	5,282,863.26	12,366,200.00	N/A	246,211.59

Table 2: Country and migration profiles for the chosen countries. Source: Author's own calculation based on IMF (2018) data (www.imf.org)

4.2. The case of China

While international migration consists of a remarkable part of migration activities in Asia, countless active internal migrations are not to be ignored. Especially for a emerging economy like China who have been undergoing the most substantial internal migration for several decades. When China started its economic reforms in 1978, the rural population made up 82% of the total population. With the incoming of foreign capital and development of the private sector and self-employment in urban areas which created great demand for rural migrant workers, accompanied by large surplus laborers in rural China – one estimation was that there were about 240 million of them in the 1980s (Li 2010) – cities began to see significant amount inflows of rural labor migrants. But the intrinsic driving forces for the migration comes down to income inequality and limited marginal labor productivity in the rural regions.

According to IMF statistics, the number of Chinese internal migrant workers in 2017 amounted to 286.52 million. On average, one of five people in China are migrant workers. (IMF, 2018) The nation's economic prospect and high inequality might contribute to the outflows of rural population. China's GDP growth rate in 2018 is 6.00% and the country currently has no state-regulated uniform minimum wage rate which varies from \$161 per month in less developed areas to \$348 per month in more advanced regions.

In definition, China's internal migrant laborers are workers with a rural household registration who are employed in an urban workplace and reside in an urban area. (China Labour Bulletin, 2018) The migrating routes usually connects the inland areas

to the coastal southeast, from rural to urban. The *Hukou* population system implemented in China have made it difficult for those internal migration – as the system regulated that non-agricultural Hukou is entitled to accessibility of public services in the city and a agricultural one is associated with the right to possess land in rural areas. (Liu 2017)

Remittances could be the biggest contribution to the rural economy in China's internal migration, the number is up to 16 million dollars in 2017. According to Li (2017), migrant workers sent back home large amount of incomes because of the nature of those migration – dominantly short-term – caused by the condition and treatment migrant workers are entitled to in urban area. On the one hand, rural workers often engage in low skilled, poorly paid occupations, mostly physically demanding jobs as manual laborers, textile and garment factory workers, toy factory workers and service worker. (Roberts, 2000) Thus they are unable to afford a comfortable and stable accommodation. Due to those physical constraint migrant workers face, migrants mostly leave their families at home in the countryside and perceive their stay in the city only temporary. In 2013, only 13% of rural-urban migration is made up of family migration. On the other hand, those rural workers are subject to exclusion from the social welfare due to their residence status defined by the Chinese Hukou system. A survey has found that only 14% of the migrant workers surveyed had health insurance and 10% had pension plans, compared with the number of 79% and 90% respectively for the local employees. (Feng et al. 2002) The lack of social protection combined with precarious working and living conditions have made the migrant workers mainly short-term migrants, and therefore, gave rise to the considerable amount of remittance flows.

In terms of what impact those remittances could have on the rural and urban economy, Li (2017) has also found that an increase in remittances would reduce the output of the urban informal sector that most migrants work in, yet the wage rate of the sector will rise, in the short term. Informal sector refers to the small service sector in the city, including jobs such as newsstand owners, street vendors and shoeshine boys. As the

increase in remittances create urban funds outflow to the rural area, the demand for urban sector's goods fall, resulting in a drop of output in the informal sector. The amount of labor employed will then be reduced, and as for the wages, since they are already the lowest among all sectors, it could be hard to cut them down more. As a result, the marginal productivity will rise and eventually so does the wage and goods price. At the same time, with the inflows of remittances from urban migrant workers, infrastructure and production condition in the rural area improves, and the attractiveness of the rural area increases which suggests the returning of urban labor migrants in informal sectors and the growth of employment in agricultural sector. So agricultural output will also increase.

Li also suggests that although an increase in remittances will reduce urban residents' welfare in the short term, as the income of urban residents start to drop when some urban funds outflow are shifted to the rural sectors, it will increase the output of the informal sector and improve urban residents' welfare in the long run. Like mentioned before, the goods price of the informal sector fell as a result of increased remittances, which means that the real income of urban residents actually would grow.

On the household level, Chinese studies have indicated that remittances is positively linked with the poverty and inequality reduction. A survey conducted by Zhu and Luo (2008) in Hubei¹ province found out that the most straightforward indicator is that the income of households with migrants is 3854 yuan than the non-migrant ones, and as much as 55% of their total income comes from remittances. Results also indicated that migration reduced the poverty depth and poverty severity, meaning that poorest of the poor have been better off and the income gap has diminished. That is to say, the poorest households normally benefit the most from being engaging in migration. As the graph below demonstrated, the poorest group (below approximately 10th percentile) could increase their income for more than 80%.

¹ Hubei province, situated in central China, had 58.5 million of population in 2015. Its economy is dominated by heavy industry, light industry and agriculture. In terms of socio-economic development, Hubei is in the mid to upper range among Chinese provinces.

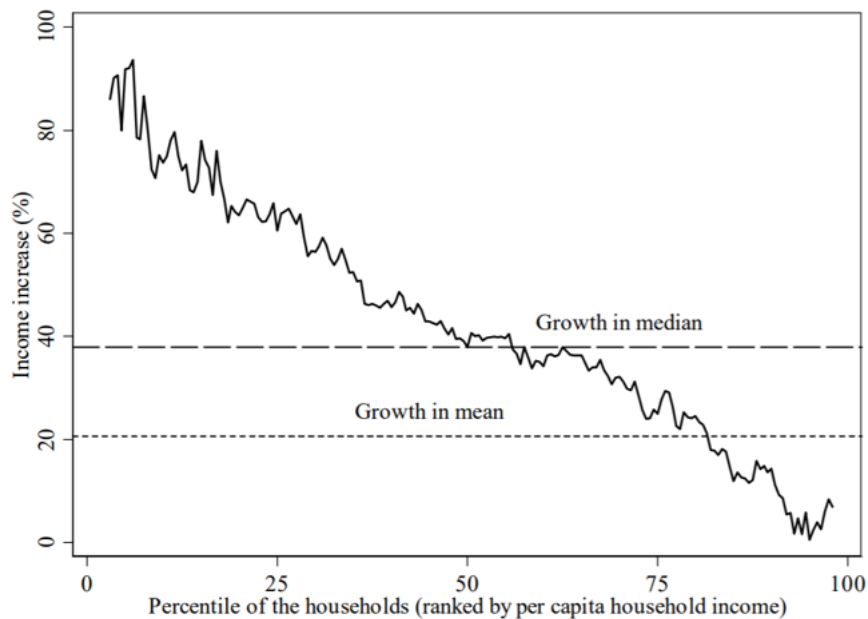


Figure 5: Growth incidence curve: effect of migration on income change. Source: The World Bank 2008, cited by Zhu and Luo. (2008)

Aside from the monetary impacts that Chinese rural-urban migration bring to the households, there is a more social side to be considered. The absence of family members due to migration can affect severely on the mental and physical health on the left-behind members especially for children, due to the lack of attention and care. It is found that under the increasingly feminized migration in Asia, children suffer more from the absence of the mother than of the father, (Nguyen and Purnamasari, 2011) mostly because of the caregiver and decision-making role that women take on in the family. (Cas et al. 2012) On the contrary, the departure of an abusive parent can positively affect the left-behind children or their partner. (OECD, 2015)

With a population of almost 1.4 billion combined with rapid GDP growth and unequal income distribution across the country, the internal migration patterns in China are expected to continue to see more development. While the rural-urban mobility serves as a response to the changes in supply and demand on the domestic labor market,

whether China will be open to incoming of foreign labor force remains in doubt and will deserve more attention in the future.

4.3. Immigration in Japan, South Korea and Singapore

4.3.2. The case of Japan

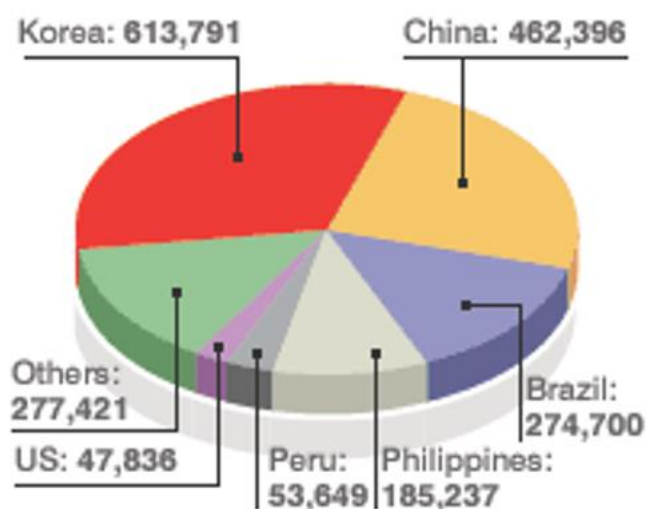


Table 3: registered foreigners in Japan. (Statistics Japan, 2003)

The public debate on Japan's aging society and shrinking population has been heating up in the recent years. While it has led to a shortage of labor, it could have more profound implications on the demography and economy for the country in years to come. However, Japan's demand for foreign laborers isn't new and it has long been engaged in making efforts to attract migrant workers. As early as in 1980s, in order to acquire high-skilled workers as a response to rapid economic growth, Japan introduced a series of policies to attract international students. Later in the 1990s, Japan loosened its restrictive immigration regulations and give permits for those Japanese descendants in Latin America to live and work in Japan. Then a technical intern training program was implemented as a source for the high-skilled labors in Japan's growing enterprises and technology sectors. (IOM, 2014)

A series of attempts has been made in Japan's immigration policies as a result of its economic needs, and therefore numbers of foreign workers have flowed to the country. As the chart suggests, in 2003, there were around 1.9 million of foreigners registered in Japan (Statistics Bureau of Japan, 2003), and by the end of 2016, the number reached a record level of 2.38 million, accounting for 1.9% of the total population in Japan. The largest nationalities are Chinese with 696,000 people and 29% of total foreign residents, second are 453,000 South Koreans (19% of total foreign residents), as well as 244,000 from the Philippines which are 10% of total foreign residents. (OECD, 2012) Despite the increases in foreign labors for the past decades, the foreign share in Japan remain fairly modest when compared with some other European OECD countries.

In regard of whether Japan should embrace a large-scale introduction of foreign labors, it is important to look at empirical analysis on how it might influence the labor market in Japan. But due to that Japan has never witnessed a full-scale immigration and the lack of relevant empirical data, it is difficult to assess the relationship between foreign workers' substitution or complementary relationship with local workers. A study done by Nakamura et al. (2009) was devoted to maximize the limited data sources at the time to evaluate the labor market's response to introduction of foreign labors.

Introducing migrant labors has a positive effect on some Japanese wages even though not all, and the contribution is especially noteworthy for male high school graduates. (Nakamura et al, 2009) The observation might be explained by Borjas (2005) that supply of labors decreases as the incoming the migrant labors result in the exit of local workers from the region and enter other regions, which was later validated by Nakamura in the case of Japanese labor market.

Furthermore, Nakamura also indicated that migrant workers tend to increase the survival probability of enterprises, especially those of less productive ones— firms with higher unskilled-skilled and labor-capital ratios. As the foreigner share rises by 1% in a municipality, the survival probability of a less productive firms increases by 0.025%. However, due to the limited database that these analyses are based on, the observations need to be interpreted with further examination.

When foreign labors would increase local wages and help less-productive firms to survive, how to utilize these labors could have profound implication on the Japanese firms. According to IMF data, Japan is currently having a higher working population (60.0%) than its working-age population (59.9%), indicating the country's efforts in trying to offset the ageing problems. While Japan is at the bottleneck of GDP growth – the number is 0.364% which is much lower than that of Korea (3.07%) and Singapore (2.47%) – the introduction of foreign labors might give the less-productive firms more time to prepare themselves for structural changes and transform themselves into more efficient ones, but as well as serve as contributing labor force during the period of demographic changes in Japan.

4.3.2. The case of South Korea

Similar patterns and conditions in Japan could also be found in South Korea as the country is facing one of the fastest ageing population in the OECD and trying to use labor migration as a response to the increasing labor demand over the past two decades. Labor migration to Korea begin to occur in noticeable amount in the late 1980s, when the labor shortage in small and medium-sized enterprises emerged. But it was not until the 20th century that the incoming flows outnumbered Korean emigrants overseas and Korea began to see positive net migration starting from 2005. In 2017, migrant workers in Korea were 1.4 million (IMF, 2018), making up 2.74% of

Korea's population, twice the level in 2005. This is, however, still a small percentage of immigrants for a OECD country.

South Korea has an unprecedentedly high-educated youth population but a dual labor market filled with large numbers of low quality jobs. (OECD, 2019) As a result of that, one characteristic of migrant workers in Korea is they are largely temporary workers taking on low skill jobs. One out of five foreign residents are found to be under this category. Korea's Employment Permit System, a temporary labor migration program introduced in 2004, is one of the largest among OECD countries in absolute terms and relative to the labor force size, employing 300,000 workers in 2018.

As for the sectors, the foreign share of employment in the manufacturing industry has significantly increased for almost 10% over the past 10 years. Foreign workers comprise around 9% of the labor force in "root industries" – where people conduct basic manufacturing processes as part of the supply chain to larger firms (Lee et al. 2016) The "root industries" employ approximately 450,000 workers which is 14% of the manufacturing labor force, and mainly serve the automotive and machine-tooling sectors. Large enterprises usually rely on subcontractors in their production process, and small and medium-sized enterprises compete fiercely for those contracts and margins are low. The industrial processes in "root industries" and low wages also lead to high turnover rates. (OECD, 2019)

Despite the large inflows of foreign labors, the data availability and research on impacts of immigration on Korea's labor market has been relatively limited. Because of the concentration of migrant labors in manufacturing sectors and small and medium-sized enterprises, the biggest impact would take place in those areas.

Employment of foreign workers often resulted in unemployment and lower wages of certain groups in Korea. An early study associated the possibility of domestic male semi-skilled workers being substituted by industrial trainees during the Industrial Trainee Program from 1997 to 2001. (Hahn and Choi, 2006) More studies on how foreign labor inflows would impact domestic employment were followed later on. Kim (2009) estimated that a 10% rise in foreign employment would result in 0.12-0.24% increase in domestic unemployment risk in the same profession, and the impact is more significant on Korean workers with a medium education level or less. The inflow of foreign workers since the 20th century has reduced wage increase of those low-skilled youth by 20%. (Choi, 2013)

Firms with foreign employees also had a higher turnover rate of domestic and short-term workers. The labor exit rate of Korean employees was 2.7% higher in enterprises with foreign workers than that of enterprises without foreign labors. It needs to be cautious though, as suggested in the study, that there might be other factors affecting the higher turnover rate, including job instability and working conditions. The whole circumstances need to be taken into account before deducing any causal relationships. (Lee et al. 2016) As for the implication on the firm-level of the labor market, positive outcomes have been observed. Presence of foreign workers contributed to higher firm profitability and labor productivity. (Nho and Hur, 2017)

Most of existing analysis focused on the total foreign population in Korea rather than a specific category, for example according to their skill set. Considering the fact that one out five foreign labors are taking up temporary low-skilled jobs, it would be a valuable insight to know what implication labors of different skill set have on the Korean labor market. Even though Korean society is also undergoing fast ageing, the working age population share in Korea remains high (71.78%). Even though the government has incentivized high-skilled labor immigration, with such a low foreign share and a short history of immigration, the degree to which the impacts could be examined is limited

and the question of whether we would see further liberalization in Korea's immigration attitudes will remain open to discussion.

4.3.3. The case of Singapore

Year	Total labor force	No. of foreign workers	Percent of total labor force
1970	650,892	20,828	3.2
1980	1,077,090	119,483	7.4
1990	1,537,000	248,200	16.1
2000	2,192,300	615,700	28.1
2010	3,135,900	1,088,600	34.7

Table 4: Foreign workers in Singapore, 1970-2010 (MPI, 2017)

Unlike Korea and Japan, the history of Singapore has always been associated with migration. Majority of the country's population growth contributes to immigration by the second World War. Established from a trading colonial economy, Singapore acquired huge numbers of labors from China, India, and the Malay Archipelago. As a result, its population reached to half a million from just a few hundred in 1931 census. (Yeoh and Lin, 2012) But it was not until the 1980s when the country became more industrialized that it began to see large incoming of immigrants again. By the time of 2017, foreign workers constitute a whopping 24.11% of total population (IMF, 2018), in a country with just 5.7million people.

As for occupations, around 870,000 of the new immigrants are low-skilled workers found in the construction, domestic work, services, manufacturing and marine industries. Only 240,000 migrant workers are skilled accounting for a mere 22%

percent of all immigrants, but the number has increased over the years as a result of more liberalized immigration policies in Singapore. Besides employment-based immigration, another important flow comes from international students. 91,600 foreign-born students comprise 13% of all students in Singapore in 2010. (Yeoh and Lin, 2012) The largest immigrant origin group are Malaysia, China, Indonesia, India and Pakistan. (UNICEF)

In terms of the labor market outcome, immigrants could serve to reduce income gap and inequality. a study has found that if the immigrant share is maintained at 40% of the total labor force with high capital intensity, the gap between wages of skilled and unskilled decreases. As implied in the paper, it could mainly be due to the increasing share of skilled immigrants among foreigners reduces the skilled wage rate. Besides, a threshold level of skilled immigrants in Singapore would have positive effects on the innovative industry and economic growth. (Thangavelu, 2017) On the contrary, Chia (2011) pointed out that the ready availability of low-skilled and low-wage foreign labors has repressed the comparable local wages, slowed down the industrial restructuring process and productivity growth.

Like the other developed nations in Asia, Singapore is experiencing continuously increasing life expectancy while having a new low fertility rate of only 1.14% in 2018. (Statistics Singapore, 2018) Under this context, it seems that role that immigration plays is extremely important for the sustainability of Singapore's economy. It is noteworthy though, that despite the continuous flows of immigrants over the years, the domestic unemployment rate in Singapore is kept at as low as 2.00%. While empirical studies suggest the negative impacts that low-skilled workers have on the labor market, a growing number of highly skilled foreign labor will likely to pay more contribution in the local economy as Singapore is having steady economic growth and further industrialization. But just like the studies indicated about the importance of maintaining a balanced share between foreign workers and local labors, maybe so is the share between the low-skilled and high-skilled migrant workers.

4.4. The case of Philippines

The Philippines has long been witnessed a “culture of migration”. Due to historical backgrounds the country has imported large numbers of immigrants to the United States starting from the early 20th century. But more diverse routes of labor migration started to appear in the 1970s, most straightforwardly fueled by the 1973 oil crisis. But the deeper motives come from the rising demand for infrastructure work in the Gulf countries and the opening up of some emerging Asian economies. (Asis, 2006)

In terms of “pull” factors, the relaxation of the Philippines’ nationality-based restriction for immigration, domestic labor surplus accompanied by high unemployment and low wages propelled Filipinos to migrate. (Asis, 2006)

Entering the 21st century, the Philippine has undergone massive economic growth, and in 2018, GDP grew by 6% even with political transitions. Despite the economic prospect, unemployment that rate stayed at a high level (5.8% in 2018) and lack of decent work opportunities still drove people to seek for livelihood abroad. (Asis. 2017)

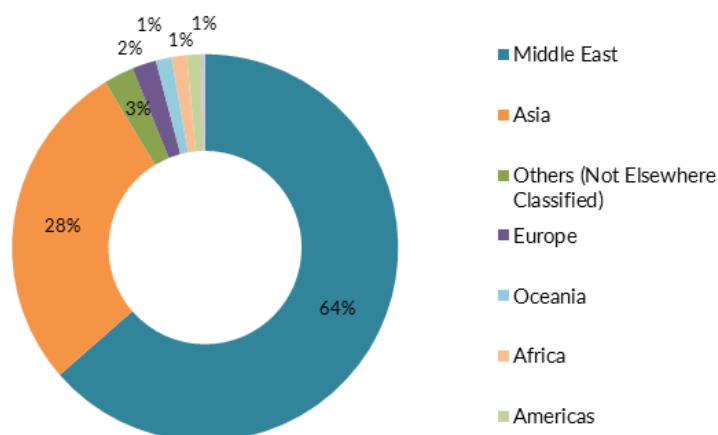


Figure 6: Deployment of Land-Based Overseas Filipino Workers by Region in 2015.
(POEA. 2015)

Filipino immigration is predominantly within Asia. As of 2017, the number of overseas Filipinos reached 2,339,000. (IMF, 2018) As the chart above reveals, 64% of Filipino workers are found in the Middle East, mostly in Saudi Arabia, United Arab Emirates, Qatar, Kuwait and Bahrain. If the Middle East is included as West Asia, then the Asian region share of Filipino workers constitutes 92% of total Filipino workers abroad.

Feminization is another important characteristic of Philippine immigration. In 2017, there are 1,255,000 Filipino women workers abroad, which is 52% of the overseas Filipino workers. (Philippine Statistics Authority, 2017) In Hong Kong, more than 90% of the Filipinos migrant workers are women. (Asis. 2006)

The exact impact of immigration on the Philippine economy is often analyzed through remittances sent home, as Filipino immigrants often remit a large amount of their income back to the Philippines. According to World Bank, the Philippines is the third largest global remittance recipients, followed after India and China. (World Bank, 2018) The Filipino remittances in 2017, around 24 billion (IMF, 2018), represent 10% of the country's GDP. (Schnabel, 2018) Those remittances are often used for the basis needs of the migrant family, better housing, educational opportunities for children and starting or investing in small business. (Asis. 2006) But Adams and Ahsan (2014) pointed out that higher incomes from remittances do not always lead to rises in consumption of all items. When compared with non-migration families, households with migration spend at the margin 40% less on food, even though they spend 59% more on education and 92% more on housing.

As suggested in the study, there could be three major reasons behind these behaviors. The most straightforward one is that migrant workers might appoint the specific use of remittances on education and housing. Apart from that, households of migration may observe that international migration tends to yield higher return to education and therefore adapted their attitudes towards education expenditure. Lastly, remittances are likely to be viewed as transitory income and because the marginal propensity to invest with transitory income is higher than permanent income, they are often used for human or physical investments. (Adams and Ahsan, 2014)

While sending successive waves of migration to other countries, the Philippines has been exposed to a large diaspora phenomenon. According to the Commission on Filipinos Overseas (CFO), the total estimated diaspora is about 10 million in 2013. (CFO, 2013) A large constitution is temporary migrants – accounting for 41% of the total, while migrants of irregular status are 11%. (OECD, 2018) Studies have showed great skill losses for the Philippines in the 1980s and 1990s. 40% of permanent Filipino emigrants had a college education, and 30% of IT workers and 60% of physician in the Philippines chose to emigrant. (Castles and Miller, 2009)

Similar to the case of China, studies have associated the migration of parents with psychological and physical well-being of the children left at home. While some results suggest that children from migrant families are healthier than their peers from non-migrant households in the Philippines (Nicolas, 2014), others reported higher levels of loneliness and emotional stress which eventually led to poor physical health of high school Filipino students of migrant families, especially if the migrant parent is the mother. (Smeekens et al. 2012) This observation is in line with the outcomes for Chinese internal migration, as both country's studies suggest the important role that mothers play in the migration households. However, while different results are presented, it is important to take the age of the children, and migrant parents as well as cultural context into consideration before trying to find consistency in the results.

While remittances have played a role in changing households' consumption behaviors and contribute to the well-being of the families, other economic impacts on a broader level seem to under-researched. It would be noteworthy to evaluate the what international migration has brought to Philippine long-term development as the society keeps evolving at a high speed. As a country with "culture of migration" and its long engagement in the international labor market, the Philippines is actively taking part in global discussion of migration by organizing various migration conferences and forums. The country is determined in its efforts to reap the benefits from international migration and more implication on the society will be seen in the future.

To conclude, for emigration, the well-being of Chinese and Filipino households tends to increase due to remittances they received, although slightly different consumption behaviors could be observed. In terms of impacts of immigration on the domestic labor market of destination countries, the results have proven to be mixed based on the analysis of Japan, Korea and Singapore. While the inflows of foreign labor in Japan has largely been associated with positive effects on wages of certain groups and preserve the enterprises with less productivity, Korea often suffered from unemployment, lower wages and high workers' turnover rate of out of immigration. Singapore studies reveals a certain share of foreign labor is crucial for its economic development and appoint slowed industrial progress and productivity growth to unskilled migrant workers.

4.5. Migration policies in Asian regions

4.5.1. Overview

Although migration in Asia has historically been largely low-skilled, the mobility of personnel with expertise has significantly increased for the past few decades since the liberalization of Asian countries' immigration policies. The "brain drain" effect could imply profound loss of human capital in all sectors of society. In response to the large

diaspora problem encountered by many Asian countries, some governments have made efforts to lure back their emigrant talents. Two largest importers of skilled labors, India and China, have begun to address the diaspora by through various incentives. The Indian government established Ministry of Overseas Indian Affairs to facilitate the relationship with diaspora and implemented a “overseas citizenship” that allows lifetime visa-free travel to India and other benefits. Taipei, China has been seen positive outcomes for its attempts to maintain contacts with expatriates and draw them back as industrialization continued. (Castles and Miller, 2009)

Within Asia, the Association of Southeast Asian Nations (ASEAN) plays a crucial role in managing skills mobility. One of its objectives is to facilitate the free movement of skilled labor. While this is a progress towards facilitated mobility in the region, it is argued that it is far from the free flow of labor in the European Economic Area where no skill threshold is applied, and the definition of “skilled labor” is restricted to seven occupations including engineers, architects, nurses, doctors, dentists, accountants and surveyors, generally licensed in ASEAN member countries. (OECD, 2012)

Moreover, while the migration in lots part of Asia, especially the Philippines, continues to become more feminized, challenging the traditional role of women in the households, policy makers and institutions in both the sending the receiving destination needs to implement more rigorous regulations to look after the well-being of the women migrant workers as results suggest that they could have profound effects on the households and the feminized sectors that they work in often put they into great vulnerability of exploitation.

In the Central Asian region, bilateral agreements have been created to facilitate mobility between Russia and post-Soviet states. The Eurasian Economic Union (EEU), established in 2015 by Russia, Kazakhstan, Kyrgyzstan, Belarus and Armenia aims to promote integration, cross-border trade and labor migration in the region. (ICG, 2016)

4.5.2. The case of China

In attempt to increase internal migrant workers' competitiveness in the urban sector, China has provided more education and training opportunities for the rural migrants. In 2013, the graduates of secondary vocational schools were 5.6 million in China, while the number was just 1.5 million in 2000. Most of the training include modern agriculture skills, modern service skills and new industries skills. On the aspect of social security, migrant workers still bear high costs to pay for social welfare. A rural migrant needs to allocate 12% of the salary for social welfare payments, a number that should be reduced in the future. Besides the "Hokou" population registration system made it difficult for migrants to transfer their social security from their hometown to their current places. (Liu, 2017)

4.5.3. The case of Japan, Korea and Singapore

Japan has adopted strategies to encourage highly qualified immigration since 2010. A points-based system was introduced in 2012 for access to permanent residence and other benefits to the receiver and their spouses. But these permits are normally granted to those who are already working in Japan with their work permit instead of people attracted from abroad. (OECD, 2014)

As a response to the rising demand in the healthcare sector, Japan has signed some bilateral agreements for healthcare worker migration in Economic Partnership Agreements (EPAs) with Indonesia and the Philippines in 2008. But the requirement bar was set high, strict training and licensing exam as well as Japanese language class have resulted in a low admission rate. (OECD, 2012)

In the early 20th century, for expatriates living in Japan, relocation allowances and once-a-year home-leave allowances are generally tax-free. Similar fiscal incentives could be found in Korea. Since 2013, up to 40% of salary could be covered by tax-free allowances for cost of living, housing, home leave and education expenses.

Tax-exempt salary for some sectors could go up to 5 years if the individuals is either employed under a tax-exempt technology-inducement contract or a foreign technician with experience in certain industries. (OECD, 2005)

A similar point system could be found in Korea as well since 2010. Age, academic qualifications, Korean-language proficiency and income combined will determine the points received. The system serves to accelerate the access to extended residence permits, and it is just like Japan's scheme which is not for new immigration but to facilitate those who are already in the country.

Korea, in 2010, implemented new rules for migrant workers who were previously employed under its Employment Permit System, a short-term employment project, and wish to re-enter Korea under the project. Korean language test and a good employment history are some valuation criteria and a quota was also built to place a limit on the entering workers. (OECD, 2012) This policy changes reflects Korea's desire to restrict temporary low-skilled workers that the country used to rely on for the manufacturing positions.

Serving as a transit point of the world and an important player in the globalization, Singapore also has favorable recruitment policies for foreign skilled laborers that allow long-term stay. The highly skilled migrant workers with employment passes are allowed to bring their families, not subject to levies and may apply to become permanent residents or citizens – privileges that do not apply to the lower-skilled

workers. (Yeoh, 2007) Accordingly, the number of skilled workers increased from approximately 100,000 in 2007 to 175,000 in 2011. (OECD, 2014)

4.5.4. The case of Philippines

Since the 1970s when the Philippines started to see large outflows of labors to various destinations, the government has participated in the regulating migrant labor process. The Philippine Overseas Employment Administration (POEA) established in 1982 is the government agency in charge of handling labor contracts and pre-deployment checks and monitoring the operation of private recruitment agencies. On the private sector, there are more than 1,000 government-licensed recruitment and manning agencies. (Asis 2006)

In order to tackle the problem of human trafficking, the Expanded Anti-Trafficking in Persons Act of 2012 was aimed to combat trafficking and increase penalties for violation, as well as provide support for the victims. (Asis, 2017) Another challenges caused by international migration is worries about the welfare of marriage migration. A new law enacted in 2016 prohibits the commercial offering of the Filipinos to abroad.

The emigration of higher skilled Filipinos and the brain drain effects are also the attentions of the migration issues in the Philippines. After Rodrigo Duterte was elected as the new president of the Philippines in 2016, he and his administration has expressed the desire to better implement the Return Scientist Program and similar projects to attracting foreign experts and overseas Filipinos for the country's institutional capacity building and development. (Asis, 2017)

Due to the large amount of remittances sent back to the Philippines, Philippine government has been working on regulating transaction channels and has incentivized the transaction through banks. Asian Development Bank found that 80% of Filipino remit through banks or other regulated sectors. (Asian Development Bank, 2004) The central bank of the Philippines also implemented minimum requirements for banks and other players in the business to ensure the reliability of the transaction, such as delivery, reasonable fees and fair foreign currency exchange. (Asis. 2006)

While migration continues to show its dominance in Philippine economy, the government and agencies are making more efforts to ensure a better regulated migration process. As one of the biggest sender in Asian international migration, the Philippines will still have the need to maximize economic and development benefits of migration while it monitors the safety of the process and protect of well-being of migrants.

5. FINDINGS AND CONCLUSIONS

5.1. Summary of main findings

According to the research questions initially set, the observed results could be answered accordingly below.

- 1. What are the migration trends and patterns currently among and within the Asia region (both internal and international)?*

For the internal migration of China analyzed in this report, it started in the 1980s when the country started its economic reforms. The features detected are that it normally connects the rural and urban parts of China, from the inland regions to the coastal areas. A large proportion of the migrant workers are made up of

temporary low-skilled workers who often leave their families at home in the countryside. And as a result, they send large amount of their incomes back.

When it comes to international migration, Asia has been a center of cross-border labor mobility – serving as both sender and recipient. The visible labor migration started around 1970s and 1980s in Asian countries as they developed economically. Since migration in the Asia region is largely economic migration in search of employment, majority of the immigrants are made up of low-skilled workers, a trend that is especially visible at the early stage of Asian migration. But the number of skilled migrants have increased over the years

Migration in Asia is become increasingly feminized, as the number and percentage of women migrants continue to grow. For example, 90% of Filipino migrant workers in Hong Kong are females. Migration through marriage and human trafficking are also represented in the region, even though governments made efforts to regulate the process of safe migration.

As for the migration routes, the bridge is normally between the rapidly developing nations and those wealthier ones. India, China and Bangladesh are the biggest sender of migrant labors, while the Gulf States are the major receivers. Therefore the most significant route connects between South East and South Asian countries with the West Asia.

2. What are the factors that affect migration activities in Asian countries?

From the broader perspective, because of the mostly short-term essence of Asian mobility, the motivation for Asian migration based on the country case studies tend to be very consistent – out of economic differences, due to the labor surplus in the

sending places and the economic prospect of the destination. Other more direct drivers, such as the China's opening up its economy to the world which lured in foreign capital and investment and hence created large demand for cheap labors, oil crisis in 1973 and the infrastructure needs in the Middle East, created instant departure of Chinese rural migrants and the Filipino workers to go abroad. On the destination's side, liberalized policies of the recipient countries also contribute to the immigration. Japan, Korea and Singapore initiated a series of program to attract foreign labors to fulfill the local labor shortage.

3. *What are the socio-economic effects of immigration on the receiving destination within the Asia region?*

While some countries like China and the Philippines send large numbers of unskilled or semi-skilled labors, more developed countries including Japan, Korea and Singapore generally include a mix of less skilled labors and highly skilled ones. As a result, the exact impacts on the local economy have proven to be mixed.

The labor market in Japan has revealed relatively positive outcomes as introduction of foreign labors tend to increase wages especially for male high school graduates and safeguard the operation of firms with lower productivity. On the contrary, Korean results are often associated with unemployment, lower wages and high turnover rate of domestic short-term workers. Studies in Singapore suggested a balance between migrant workers and local employees would generate lower income gap and the deployment of lower-skilled labors could hinder Singaporean industrial transition and productivity development.

4. *What are the socio-economic effects of emigration on the sending countries within the Asia region?*

However, for the regions and countries of labor origins, the effects are mostly presented in the household level. Because of the short-term feature, remittance flows are usually seen at great amount in Asian immigration. The outcomes of remittances are observed as positive because they improve the households' economic well-being – poverty and income inequality has been reduced, and people make more long-term investments in housing and education – a result shown both in the Chinese and Filipino studies, although the consumption behaviors might differ slightly as the Filipino spend less on food with more remittances.

The emigration of highly skilled labors could cause the “brain drain” effects, resulting in the loss of human capital for the sending countries. Nevertheless, the high yields of return on education from these emigrations might change people's attitudes towards education and hence increase the skill sets of workers, and even offset the negativity caused by “brain drain”. Regarding the knowledge base of sending countries, there is no causal relationship to be detected based on the current studies for the Asian region.

On the non-economic side, departure of a migrant partner or parent could affect positively or negatively the health of the family members left behind, especially for children, as they are at a stage of being vulnerable to psychological and physical trauma, and even exploitation. However, the access to resources from remittances might prevent them from those harms.

5.2. Implications for international business

As the process of globalization continues and connectivity increases, the exchange of trade, capital flows as well as international labors are unprecedentedly high. The

increasing economic power in many Asian nations has strengthened the importance of roles that they would play in the global stage and magnified the implication on the global economy and business operation. Therefore, by looking into the interrelated relationship between Asian migration and the regional economy, not only we could gain insights on how to better utilize and facilitate the regional migration activities to serve the needs of the business operation in order to respond to the changing dynamics in the labor market, but also the potential implications that the global market could draw on to maximize efficiency in the labor force during industrial and structural transformation.

On the one hand, lower-skilled foreign workers could generate cost savings for businesses in the short term while having more complex outcomes on the national's productivity level. On the other, migrant labors with higher skill set are harder to obtain and their competitiveness might cause the constitution effect to the domestic workers. How the enterprises would respond to the foreign labors with different skill levels is closely linked to the performance of the production process, especially during an epoch when human capital has become dominantly important in various sectors of businesses. A rigorous examination into the labor mobility is therefore necessary as businesses prepare themselves for the ever-changing environment of the national, regional and global economy and potential structural transformation.

5.3. Limitations and suggestions for further research

Thanks to the growing prevalence of migration in the Asian region, the ready availability of literature on illustrating the topic has made the data sourcing process easier for the research. The existing studies are largely focused on the current state of migration including migration statistics, trends and policies. By comparison, the impact of migration in the region is less discussed and often exist in qualitative form rather than quantitative, describing relationship between migration and social

development. The empirical studies with emphasis on detecting economic indicators quantitatively has been limited, and data sources are more accessible for developed nations or countries with a culture of migration than those less-developed and new to international migration. More country-level data needs to be acquired to fill the information gap as well as economic and methodological analysis.

In terms of economic indicators for the sending regions and countries, the examination has been mostly on the household level through analysis of remittances, such as the studies for China and the Philippines. It would be worthwhile to see what long-term impacts emigration has brought to the local economy and development, such as infrastructure, education and the knowledge base.

Even though some observations could be draw and conclusion could be reached, the amount and longitude of research analysis for the topic in the Asian region has placed certain limitation to producing exhaustive and objective research outcomes. Further studies need to be conducted to consolidate findings and reflect the increasing dominance of migration in the region.

References:

Anitha, S. and Pearson, R. (2013) *Striking Women*. Lincoln: University of Lincoln.
[Online] Available from: www.striking-women.org

Economic and Social Commission for Asia and the Pacific. (2017) *"Trends and drivers of international migration in Asia and the Pacific"* United Nations. [online] Available from: https://www.unescap.org/sites/default/files/GCMPREP_1E.pdf

Ahsan A, Abella M, Beath A, Huang Y, Luthria M, Nguyen T.V. (2014). *"International Migration and Development in East Asia and the Pacific."* World Bank. Available from: <https://openknowledge.worldbank.org/handle/10986/20437>

Kondoh K. (2017) *"The Economics of International Immigration, Environment, Unemployment, the Wage Gap, and Economic Welfare"* Springer, Singapore.
Available from:
<https://link-springer-com.libproxy.aalto.fi/book/10.1007%2F978-981-10-0092-8#toc>

Asian Development Bank Institute, International Labour Organization, and Organisation for Economic Co-operation and Development. (2016) *"Labor migration in Asia: Building effective institutions."* Available from:
https://read.oecd-ilibrary.org/social-issues-migration-health/labor-migration-in-asia_9789264251076-en#page2

OECD/ADBI/ILO (2018), *"Labor Migration in Asia: Increasing the Development Impact of Migration through Finance and Technology"*, ADBI, Tokyo, Available from: <https://doi.org/10.1787/9789264289642-en>

OECD & ILO (2017), *“How Immigrants Contribute to Kyrgyzstan's Economy”*, ILO, Geneva/OECD Publishing, Paris, Available from:
<https://doi.org/10.1787/9789264287303-en>.

Schwarcz, E. (2018) *“Making Sense of Japan’s New Immigration Policy”* The diplomat. Available from:
<https://thediplomat.com/2018/11/making-sense-of-japans-new-immigration-policy/>

Phelps, E.D. (2014) *“South-South Migration: Why it’s bigger than we think, and why we should care”*. The Migrationist. Available from:
<https://themigrationist.net/2014/02/06/south-south-migration-why-its-bigger-than-we-think-and-why-we-should-care/>

Ratha, D, Shaw, W. (2007) *“Causes of South-South Migration and Its Socioeconomic Effects.”* Migration Policy Institute. Available from:
<https://www.migrationpolicy.org/article/causes-south-south-migration-and-its-socioeconomic-effects>

McAleese, D. (2004). *“Economics for Business: Competition, Macro-stability, and Globalisation.”* New York: FT Prentice Hall, 3rd Edition. Available from:
<https://eclass.unipi.gr/modules/document/index.php?course=NAS247&download=/55f821b0ol6b/526ac6e6j2wq.pdf>

“Economic Effects of Migration”. Levin Institute. Available from:
<http://www.globalization101.org/economic-effects-of-migration/>

Mountford, A. (1997). *“Can a brain drain be good for growth in the source economy? Journal of Development Economics.”* Available from:

https://ac.els-cdn.com/S0304387897000217/1-s2.0-S0304387897000217-main.pdf?_tid=105c08c7-efbc-4752-a21b-15ffb68cc7fc&acdnt=1549899854_65085b6d210a9436e970826e46f6319c

“*Brain drain*.” Cambridge Dictionary. Available from:
<https://dictionary.cambridge.org/dictionary/english/brain-drain>

Drinkwater, S, Levine, P, Lotti, E, Pearlman, J. (2002) “*The Economic Impact of Migration: A Survey*”. London Guildhall University and University of Surrey. Available from:
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.202.9658&rep=rep1&type=pdf>

OECD. “*Policy Coherence for Development: Migration and Developing countries, A Development Center Perspective*”. OECD. Available from:
https://read.oecd-ilibrary.org/development/policy-coherence-for-development-2007_9789264026100-en#page1

ILO. “*ILO global estimates on migrant workers: Results and methodology*.”

International Labor Office Geneva. Available from:
https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_436343.pdf

Anne E. L (2015) “*Statistics on Labor Migration within the Asia-Pacific Region*.” Red Cross Red Crescent Manila Conference on Labor Migration 2015. Available from:
http://www.ifrc.org/Global/Documents/Asia-pacific/201505/Map_Infographic.pdf

ILO Regional Office for Asia and the Pacific. (2015) *“International Migration in ASEAN at a Glance.”* International Labour Migration. Available from: http://apmigration.ilo.org/resources/ilms-database-for-asean-asean-at-a-glance/at_download/file1

UNICEF. *“Children affected by migration.”* UNICEF China. Available from: <http://www.unicef.cn/en/child-protection/children-affected-by-migration/>

Terrazas, A. (2011) *“Migration and Development: Policy Perspectives from the United States.”* Migration Policy Institute. Available from: <https://www.migrationpolicy.org/pubs/migdevpolicy-2011.pdf>

World Migration Report 2018. (2018) International Organization for Migration (IOM). Available from: https://publications.iom.int/system/files/pdf/wmr_2018_en.pdf

Statistical Communiqué of the People's Republic of China on the 2018 National Economic and Social Development. (2019) National Bureau of Statistics of China. Available from: http://www.stats.gov.cn/english/PressRelease/201902/t20190228_1651335.html

Li, X. (2017) *Labor Transfer in Emerging Economies – A Perspective from China's Reality to Theories..* Springer. Available from: <https://link-springer-com.libproxy.aalto.fi/content/pdf/10.1007%2F978-981-10-3569-2.pdf>

Feng, W. Zuo, X. Ruan D. (2002). Rural migrants in Shanghai: living under the shadow of socialism. *International Migration Review*. Available from: <https://onlinelibrary.wiley.com/doi/10.1111/j.1747-7379.2002.tb00091.x>

Roberts KD (2000). Chinese Labor Migration: Insights from Mexican Undocumented Migration to the United States. Rural Labor Flows in China. University of California at Berkeley, USA, Institute of East Asian Studies. Available from: https://scholar.google.com/scholar_lookup?hl=en&publication_year=2000&pages=28&author=KD+Roberts&title=Rural+Labor+Flows+in+China

Snyder, S. Chern, W.S. (2009) The impact of remittance income on rural households in China. China Agricultural Economic Review. Available from: <https://www.emeraldinsight.com/doi/pdfplus/10.1108/17561370910915357>

Zhu, N. Luo, X. (2008) The Impact of Remittances on Rural Poverty and Inequality in China. The World Bank. Available from: <http://documents.worldbank.org/curated/en/325741468217165097/pdf/wps4637.pdf>

Li, S. (2010) The Economic Situation of Rural Migrant Workers in China. China Perspectives. Available from: <https://journals.openedition.org/chinaperspectives/5332>

CLB. (2018) "Migrant workers and their children." China Laour Bulletin. Available from: <https://clb.org.hk/content/migrant-workers-and-their-children>

Jayaraman, R. (1999) "The Evolution of Poverty and Inequality in Indian Villages." The World Bank Research Observer. Available from: <http://documents.worldbank.org/curated/en/626071468267874920/pdf/766310JRN0WBRO00Box374385B00PUBLIC0.pdf>

GOVPH. “Stock Estimate of Overseas Filipinos as of Dec. 2013.” Commission on Filipinos Overseas. Available from:

<https://www.cfo.gov.ph/downloads/statistics/stock-estimates.html>

ADB et al. (2014) “Labor Migration, Skills & Student Mobility in Asia.” ADB. Available from:

<https://www.oecd.org/migration/Labour-migration-skills-student-mobility-in-Asia.pdf>

Chalamwong, Y. (2004) “The Migration of Highly Skilled Asian Workers in OECD Member Countries and Its Effects on Economic Development in East Asia.” Thailand Development Research Institute Foundation. Available from:

<http://www.oecd.org/governance/pcsd/31857618.pdf>

Nakamura, J. (2009) “Impacts of International Migration on the Labor Market in Japan.” Nihon University. Available from:

https://www.jil.go.jp/english/JLR/documents/2010/JLR27_nakamura.pdf

Borjas, G. “Labor Economics.” McGraw-Hill. Available from:

https://www.academia.edu/24939684/Labor_Economics_-_George_Borjas

OECD. (2019) “Recruiting Immigrant Workers: Korea.” OECD Publishing. Available from:

https://read.oecd-ilibrary.org/social-issues-migration-health/recruiting-immigrant-workers-korea-2019_9789264307872-en#page1

Lee, K and S. Park (2008) “Employment Structure and Effects of the Foreign Workforce”. KLI Monthly Labor Review. Available from:

https://www.kli.re.kr/kli_eng/selectBbsNttView.do?key=220&bbsNo=31&nttNo=10074

5&searchY=searchCtgry=&searchCnd=all&searchKRwd=&pageIndex=7&integrDept
Code=

Lee,L. et al. (2016) “Policy for Utilization of Foreign Labor Force: Policy Direction of Foreign Manpower in the Age of Low Birthrate and Ageing Society”. Ministry of Employment and Labor.

Nho, Y and J. Hur (2017) “The Impact of Temorary Low-skilled Immigrants on Firm Performances: Evidences from the Korean Small-Medium Business Sector”.

Kim,J. (2009) Analysis of the Economic Impact of Low Skilled Foreigners.” Korea Development Institute. Available from:
http://www.kdi.re.kr/report/report_download.jsp?list_no=11412&member_pub=2&type=pub

Hahn,C. and Y.Choi (2006) “On the Economic Impact of Foreign Labor Inflows in Korea”. Journal of Economic Policy. Available from:
<http://kdijep.org/v.28/1/95/On+the+Economic+Impact+of+Foreign+Labor+Inflows+in+Korea>

Choi,K. (2013) “The Impact of Foreign Worker Inflow on the Natives in Korea”. Economics Research. Vol. 61/3, pp.153-194

UNICEF. “Migration Profiles: Singapore.” UNICEF. Available from:
<https://esa.un.org/MigGMGProfiles/Indicators/files/Singapore.pdf>

Thangavelu, S.M. (2017) "Labour Market Integration with the World: Case of Singapore." Journal of Economic Integration. Available from:

https://www.e-jei.org/upload/JEI_32_3_723_758_2013600140.pdf

Chia, S.Y. (2011) "Foreign Labor in Singapore: Rationale, Policies, Impacts, and Issues." Philippine Journal of Development. Available from:

<https://dirp4.pids.gov.ph/webportal/CDN/PUBLICATIONS/pidspjd11-singapore.pdf>

IFRC. (2015) "Statistics on Labor Migration within the Asia-Pacific Region." Red Cross Red Crescent Manila Conference on Labor Migration 2015. Available from:

https://www.ifrc.org/Global/Documents/Asia-pacific/201505/Map_Infographic.pdf

Asis, M.B. (2006) "The Philippines' Culture of Migration." Migration Policy Institute.

Available from: <https://www.migrationpolicy.org/article/philippines-culture-migration>

The World Bank. "Record high remittances to low- and middle-income countries in 2017." The World Bank. Available from:

<https://www.worldbank.org/en/news/press-release/2018/04/23/record-high-remittances-to-low-and-middle-income-countries-in-2017>

Asian Development Bank. (2004) "Enhancing the Efficiency of Overseas Workers Remittances." ADB. Available from:

<https://www.microfinancegateway.org/sites/default/files/mfg-en-paper-enhancing-the-efficiency-of-overseas-workers-remittances-2004.pdf>

Castles, S, Miller, M.J. (2009) "Migration in the Asia-Pacific Region." Migration Policy Institute. Available from:

<https://www.migrationpolicy.org/article/migration-asia-pacific-region>

Asis, M.B. (2017) "The Philippines: Beyond Labor Migration, Toward Development and (Possibly) Return." Migration Policy Institute. Available from:

<https://www.migrationpolicy.org/article/philippines-beyond-labor-migration-toward-development-and-possibly-return>

Philippines Overseas Employment Administration. "Overseas Employment Statistics: Deployed Overseas Filipino Works, 2014-2015." POEA. Available from:

<http://www.poea.gov.ph/ofwstat/compendium/2015.pdf>

Adams, R.H, Ahsan, A. (2014) "Managing International Migration for Development in East Asia." World Bank Group. Available from:

<https://openknowledge.worldbank.org/bitstream/handle/10986/21071/932550WP0P11600ia000Research0Papers.pdf?sequence=1&isAllowed=y>

Nguyen, T., and R. Purnamasari. (2011) "Impacts of International Migration and Remittances on Child Outcomes and Labor Supply in Indonesia. How Does Gender Matter?" World Bank. Available from:

<https://openknowledge.worldbank.org/bitstream/handle/10986/3358/WPS5591.pdf?sequence=1&isAllowed=y>

Nicolas, I. (2014) "Impact of Migration and Remittances on Health and Education of Children and Other Family Members Left Behind: The Philippine Experience." Presentation at the 4th ADBI– OECD–ILO Roundtable on Labor Migration in Asia: Building Human Capital across Borders. Tokyo. 27–28 January. Available from: https://www.cfo.gov.ph/images/stories/pdf/speeches/japan_adbi_speech_feb2014.pdf

Yeoh. B.S.A. (2007) "Singapore: Hungry for Foreign Workers at All Skill Levels." Migration Policy Institute. Available from: <https://www.migrationpolicy.org/article/singapore-hungry-foreign-workers-all-skill-levels>

IOM. (2014) "A Migrant Structure for Japan." International Organization for Migration. Available from: <https://www.iom.int/oped/migrant-structure-japan>

OECD. (2018) "International Migration Outlook 2018". OECD Publishing. Available from: https://read.oecd-ilibrary.org/social-issues-migration-health/international-migration-outlook-2018_migr_outlook-2018-en#page250

OECD. (2019) "Recruiting Immigrant Workers: Korea." OECD Publishing. Available from: https://read.oecd-ilibrary.org/social-issues-migration-health/recruiting-immigrant-workers-korea-2019_9789264307872-en#page160

International Crisis Group (2016) "*The Eurasian Economic Union: Power, Politics and Trade.*" ICG. Available at: <https://www.refworld.org/docid/578f659b4.html>

Schnabel, C. (2018) "PH remittances beat gov's target, hit record in 2018." Rappler. Available from:

<https://www.rappler.com/business/196148-philippines-ofw-remittances-december-20>

17